UNITED STATES DEPARTMENT OF AGRICULTURE
Bureau of Agricultural Economics
Washington

F.S.
C-54

January 18, 1930

FOREIGN NEWS ON COTTON

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The past two years have been years of retrenchment and cautious buying by the Central European cotton industry, following the boom of 1927. Stocks of both goods and raw material in Europe are now regarded as very moderate, particularly in the Central European countries, where declining economic conditions have tended to curb textile trade activity. Now that prices of raw cotton have again worked down to a comparatively low level coincident with sound basic conditions in the cotton textile situation generally, the industry, from importers through to the distributing trade, is beginning to show evidence of confidence in current prices and in the probable future development of the market.

The European cotton trade and industry, moreover, not only has low stocks of cotton and cotton goods, but enters the new year with better prospects from a financial standpoint. The general easing of money rates will relieve the credit stringency which has been a detriment to business for some time.

Prices of non-American cotton on European markets, mainly Indian and Egyptian, are considerably lower than last year. It is to be noted that in the case of Indian cotton the price relationship to American cotton has declined only for the lower grades and staples and has changed very little for the better varieties more directly competitive with American. Continental consumption of Egyptian cotton is considerably less affected by the parity with American for technical reasons, but prices of Egyptian cotton are relatively low.

The December prices this season have dropped to 72 per cent of American in the case of Indian, and to 97 per cent in the case of Egyptian Uppers. While the reduction for Indian cotton is entirely due to the drop in prices of the lower classes it is nevertheless favorable to some further increase in consumption of Indian growths.

Indian and Egyptian cotton in percentage of American

Variety	1925 Dec 4	1926 Dec 10	1927 Dec 9	1928 Dec 7	1929 Dec 6
	Per cent	Per cent	Per cent	Per cent	Per cent
Indian 1/					
American Seed (Punjab) No. 1	94	117	99	88	88
Fine machine-ginned Broach	90	112	90	85	84
Fine machine-ginned Oomra No. II, fair staple	83	105	82	75	64
Fine machine-ginned Scindh	68	97	75	65	53
Egyptian 2/					
Fully good fair Uppers	127	114	115	103	97

1/ Indian compared with Middling, 15/16 inches, at Bremen.
2/ Egyptian compared with Strict Middling American, 1-1/16 inches at Bremen.

Season	Consumption of 1/ in Continental Europe: American	Indian	Egyptian	Indian cotton in percentage of American: December price 2/	Consumption	Egyptian cotton in percentage of American: December price Uppers	Consumption
	1,000 pounds	1,000 pounds	1,000 pounds	Per cent	Per cent	Per cent	Per cent
1925-26	3,941	856	425	84	23	127	11
1926-27	4,427	690	485	108	16	114	11
1927-28	4,675	778	478	87	17	115	10
1928-29	4,239	924	506	78	22	103	12

1/ Bales of 478 pounds. Calculated on basis of International Federation figures, with the inclusion of estimates for Hungary.
2/ Average of quotations for American Seed, Broach, Oomra and Scindh.

The bulk of American cotton consumed on the continent is of course indispensable in many instances for goods produced from these staples, and the technical equipment of many continental mills requires the more uniform staple of the American cotton.

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Great Britain

The British cotton yarn and cloth market was quiet during the holidays and since then has been steady. Exports of cloth increased in November but were below the levels of last year, being 284 million yards in November, 265.8 million in October, and 331.4 million in November 1928. Exports of yarns amounted to 12.5 million pounds in November, 13.5 million in October, and 15.4 million in November 1928. Commercial reports indicate that exports from the United States to Great Britain are still below those of last year.

Stocks of American cotton at Liverpool and Manchester amounted to only 437,000 bales on December 27 as compared with 603,000 on the corresponding date in 1928, and 638,000 in 1927 and 938,000 in 1926, according to the Commercial and Financial Chronicle.

France

The November textile situation in France was about unchanged as compared with October, with business fairly good and mill activity favorable. Sales of yarn were of rather large volume throughout the month and at the beginning of December, though a little unsatisfactory in some sections. Weavers placed yarn orders for several months ahead and spinners are sold out for three to five months. Spinning activity remained good, particularly in the North and East.

Weavers' sales were reported fair, with some declining tendency at the end of November and the beginning of December. The colonies, following a prolonged period of calmness, again began to show some interest for fabrics. Activity of the weaving mills remained on high levels.

Spinner purchases and price fixing orders were of considerable volume during the first half of November, but slower during the second half of November and early December.

Italy

November reports on the Italian cotton industry run very similar to those in October. New orders for yarn and fabrics continued to be placed in a volume larger than current production, but slightly below this time last year. Commitments on hand remained above last year and yarn stocks in spinning mills slightly below. Spinner purchases of raw cotton and price-fixing orders were rather large into the second half of November, but much smaller since. Egyptian and Indian cottons were reported to enjoy preference.

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Italian cotton spinning mills (spinning establishments, without own weaving sheds) arrived at a price and production agreement during the month of November, and immediately raised yarn prices. This resulted in some drop in the sales of yarn. The agreement includes about 3,500,000 of Italy's 5,200,000 spindles.

Germany

November reports indicate that the improvement apparent in the German textile situation during the Fall months has made no further progress, but nevertheless, the situation appears slightly better. Underlying conditions in the raw cotton market seem favorable.

The reports during November have indicated some decline in new business for the spinning section during the second half of the month in mills spinning medium and fine counts, but October sales levels were maintained in the coarse count mills. The medium and fine spinning mills use mainly strict middling to good middling American 1-1/32 inch staple and above. Margins of spinners continue to improve slightly and deliveries of yarn against old contracts were again of considerable volume. Imports of yarn and fabrics ran much below the level prevailing a year ago, although considerable pressure from foreign competition in the form of low price offers were reported. German spinning mill activity in November is thought to have been slightly above October as a result of better occupation in the coarse count mills.

INDEX OF GERMAN YARN PRODUCTION PER SPINDLE
(Monthly average July 1924-June 1926 = 100)

Month	1925-26	1926-27	1927-28	1928-29	1929-30
Aug	108	85	119	101	1/
Oct	117	106	122	90	104
Dec	119	116	113	101	
Apr	75	120	116	105	
July	70	118	99	77	

1/ No data available.

Developments in the weaving branch during November were not uniform, but seasonal improvement was maintained in the raw weaving section and sales increased in the colored section, which has been stagnant. Weavers' margins are improved, but still unsatisfactory. Weaving activity in November is judged to be about unchanged as compared with October. The trade continues to buy very cautiously.

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ACTIVITY IN GERMAN WEAVING MILLS

1929	Per cent
January	72
March	71
April	71
May	61
June	64
July	74
October	86

Sales of cotton goods by distributors, at least as far as "winter goods" are concerned, have been somewhat hampered by the unusually warm weather that has prevailed throughout November and early December. Numerous bankruptcies in the textile wholesale trade have also been a contributing factor, but the worst now seems over.

Spinner purchases of cotton at Bremen were more active around the middle of November, but have since been of a hand-to-mouth character. It appears that important quantities of raw material passed into the hands of the industry, particularly in the first part of the month. There was also a moderate volume of price fixing, but spot sales as well as c.i.f. import buying by the merchants were limited.

Arrivals of raw cotton at Bremen continue smaller than last season, the total to December 14 amounting to 880,000 bales as compared with 979,000 last season. However, exports from Bremen (i.e. shipments from Bremen to various European spinning districts), though below last year's figures, are running proportionally higher than arrivals, thereby tending to hold down the usual season increase in stocks. Bremen exports to December 14 have amounted to 689,000 bales as compared with 742,000 last year, and stocks at Bremen have increased only 191,000 bales between August 1 and December 14, 1929 as compared with an increase of 237,000 bales during the same period last year. Total stocks on December 14 were 449,000 bales and a year ago 621,000.

Czechoslovakia

November improvement of new sales was rather small, but spinner and weaver margins increased slightly and brought about a somewhat better sentiment. October spinning activity was 89 per cent, compared with 90 in September.

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SPINNING MILL ACTIVITY
(Percentage of single shift capacity)

Year	Jan	Apr	July	Oct
	Per cent	Per cent	Per cent	Per cent
1926	1/	1/	59	80
1927	98	108	105	114
1928	110	105	80	89
1929	101	100	2/ 85	89

1/ No data available.
2/ Estimate.

The price agreement existing in the Czechoslovakian cotton industry for certain counts of yarn was rounded out by the inclusion of all other counts. The negotiations as to production contingents were also resumed.

Austria

Little improvement in the sales of spinning and weaving mills occurred during November. Business in winter goods was unsatisfactory on account of prolonged warm weather and margins were still a cause for complaint.

AUSTRIAN COTTON YARN PRODUCTION

Year	Jan	Apr	July	Sept
	Per cent	Per cent	Per cent	Per cent
1923	55	59	59	63
1924	70	72	66	68
1925	77	75	79	80
1926	81	75	72	60
1927	75	86	87	85
1928	83	78	73	75
1929	82	84	73	76

Hungary

The November yarn and cloth market was quiet, but a rather satisfactory volume of business was evident and activity of the mills remained unchanged. Some uncertainty was caused by bankruptcies in the textile trade.

Poland

The November situation of the Polish cotton textile industry remained very unfavorable. Mill stocks of unsold goods increased again, as production was increased despite stagnant sales in October. Rural buying power has improved as a result of some increase in agricultural prices, but the improvement, the trade claims, is small because of the fact that farmers have already sold most of their production. The financial situation continues unfavorable.

Mill consumption of raw cotton, 16 continental countries

Season	American	Indian	Egyptian	Sundries	Total
	In bales regardless of weight 1/				
	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales
1924-25	3,730	1,118	310	161	5,319
1925-26	3,951	1,072	287	188	5,498
1926-27	4,437	865	328	225	5,855
1927-28	4,680	972	323	257	6,232
1928-29	4,239	1,155	342	244	5,980
	In bales of 478 pounds net 2/				
1924-25	3,730	894	459	116	5,180
1925-26	3,951	858	425	135	5,357
1926-27	4,437	692	485	162	5,764
1927-28	4,680	778	478	185	6,116
1928-29	4,239	924	506	176	5,845

1/ As per "International Cotton Bulletin" with the addition of Hungary.

2/ Converted on basis of the following ratios: 1 Indian bale equals .8 American; 1 Egyptian bale equals 1.48 American; 1 Sundries bale equals .72 American.

Price per pound of Indian cotton

Kind	Price					Percentage of American				
	1925: Nov 6	1926: Nov 12	1927: Nov 11	1928: Nov 9	1929: Nov 8	1925: Nov 6	1926: Nov 12	1927: Nov 11	1928: Nov 9	1929: Nov 8
	Cents	Cents	Cents	Cents	Cents	Per cent	Per cent	Per cent	Per cent	Per cent
American Seed: (Punjab) No. 1	21.62	16.14	19.69	18.68	17.05	98	115	90	89	90
Fine mgd. Broach	21.52	15.53	18.57	17.97	16.24	97	111	85	86	86
Fine mgd. Oomra No. 2 f. st.	18.68	14.62	18.07	15.94	12.28	84	104	82	76	65
Fine mgd. Scindh	16.75	12.89	16.04	13.70	10.15					
American mid 28 mm, Bremen: spot	22.26	13.99	21.92	20.99	18.91	75	92	73	65	54
	1925: Dec 4	1926: Dec 10	1927: Dec 9	1928: Dec 7	1929: Dec 6	1925: Dec 4	1926: Dec 10	1927: Dec 9	1928: Dec 7	1929: Dec 6
	Cents	Cents	Cents	Cents	Cents	Per cent	Per cent	Per cent	Per cent	Per cent
American Seed: (Punjab) No. 1	20.71	15.45	21.01	18.99	16.97	94	117	99	88	88
Fine mgd. Broach	19.90	14.85	18.99	18.28	16.16	90	112	90	85	84
Fine mgd. Oomra No. 2 f. st.	18.18	13.94	17.37	16.06	12.22	83	105	82	75	64
Fine mgd. Scindh	15.05	12.83	15.76	14.04	10.10	68	97	75	65	53
American mid 28 mm, Bremen: spot	21.99	13.23	21.15	21.50	19.23					

COTTON: Price per pound for American and Egyptian uppers, specified dates, 1925-1929

Date	American strict middling 1-1/16", Bremen exchange	Fully good fair Uppers at L'Pool	Uppers in percentage of American
	Cents	Cents	Per cent
Oct 8, 1929 ...	23.60	23.04	98
Nov 6, 1925 ...	25.06	31.87	127
Nov 12, 1926 ...	16.59	21.62	130
Nov 11, 1927 ...	25.12	30.15	120
Nov 9, 1928	23.74	24.16	102
Nov 8, 1929 ...	21.71	21.33	98
Dec 4, 1925 ...	24.89	31.61	127
Dec 10, 1926 ...	16.18	18.38	114
Dec 9, 1927 ...	24.15	27.67	115
Dec 7, 1928 ...	24.10	24.85	103
Dec 6, 1929 ...	22.03	21.41	97

December and January delivery, f. o. b. Breman: Points on May futures at New York 1/

Grade	Staple	1928	1929				
		Dec 7 2/	Sept 5	Oct 3	Oct 31	Nov 11	Dec 7
		Points	Points	Points	Points	Points	Points
Good middling	15/16	165	208	226	200	205	240
	1 1/16	410	463	491	460	470	495
Strict "	15/16	150	213	186	170	170	210
	1 1/16	405	423	441	415	425	440
Middling	15/16	100	133	131	110	115	135
	1 1/32	170	243	251	235	245	275
	1 1/16	295	373	371	365	365	370
Strict low middling .	15/16	70	73	46	40	35	45
	1 1/16	270	263	281	310	230	270

1/Average quotations of a number of Bremen merchants.
2/ Estimated quotations for the same group of merchants, calculated on basis of quotations for a different group.

GERMANY: Bremen trade in raw cotton

Kind	Imports, Aug 1 - Dec 14		Exports, Aug 1 - Dec 14	
	1928	1929	1928	1929
	Bales	Bales	Bales	Bales
American	975,220	873,944	736,629	677,934
Indian	2,626	5,243	4,452	6,775
Sundries	939	989	890	3,823
Total	978,785	880,176	741,971	688,532

Bremen cotton stocks

Kind	1928		1929	
	Aug 1	Dec 13	Aug 1	Dec 14
	Bales	Bales	Bales	Bales
American	377,925	616,516	249,697	445,707
Indian	5,234	3,408	1,766	234
Sundries	747	796	5,739	2,905
Total	383,906	620,720	257,202	448,846

Bremen Statistics.

GERMANY: Index of German cotton yarn production
(Monthly average July 1924 - June 1926 = 100)

Season	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Av
1925-26	108	118	117	116	119	100	93	85	75	70	73	70	95
1926-27	85	99	106	112	116	115	118	122	120	123	112	118	112
1927-28	119	125	122	124	119	122	126	119	116	114	102	99	117
1928-29	101	102	90	110	101	1/	1/	1/	105	1/	1/	77	2/98
1929-30	1/	1/	104										

German Institute for Economic Research, Berlin.

1/ No data available.

2/ Estimate.

GERMANY: Imports of cotton yarn and woven materials

Month	Cotton yarn 1/ 1927	1928	1929	Woven cotton materials 2/ 1927	1928	1929
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Jan	6,931	13,252	8,027	1,594	5,959	2,097
Feb	8,400	11,409	6,303	2,943	4,363	1,728
Mar	10,384	10,657	7,147	3,671	4,403	1,757
Apr	13,488	10,154	6,327	3,995	3,530	1,755
May	12,509	8,823	6,259	4,687	2,659	1,499
June . . .	13,294	8,093	5,271	4,824	2,092	1,534
July . . .	12,328	7,502	5,780	4,694	2,255	1,356
Aug	14,240	7,046	6,583	4,277	1,235	1,164
Sept . . .	13,962	7,286	4,921	5,355	1,534	1,254
Oct	13,514	7,842	5,209	5,620	2,015	1,484
Nov	12,840	8,082		5,758	1,728	---
Dec	12,879	6,676		5,373	1,576	---
Total . .	144,769	106,822		52,791	33,340	

Official Foreign Trade Statistics.
1/ No. 440-No. 444 of the German Duty Register.
2/ No. 453 a-No. 457 d 2.

GERMANY: Price - spread cotton yarn-fabrics
(Price in marks per 8 meters of kretonne (16/16 ex 20/20, Stuttgart) minus price per 1 kg. cotton yarn (No.20,stuttgart).)

Month	1924	1925	1926	1927	1928	1929
Jan	1.17	1.53	1.84	1.34	1.53	1.34
Feb	1.35	1.50	1.72	1.46	1.48	1.22
Mar	1.26	1.52	1.61	1.53	1.44	1.18
Apr	1.34	1.52	1.62	1.61	1.48	1.18
May	1.38	1.66	1.56	1.67	1.45	1.16
June . . .	1.32	1.69	1.54	1.69	1.41	1.10
July . . .	1.21	1.70	1.35	1.63	1.40	1.15
Aug	1.24	1.80	1.31	1.57	1.42	1.15
Sept . . .	1.34	1.91	1.27	1.62	1.32	1.16
Oct	1.38	2.01	1.36	1.62	1.40	1.20
Nov	1.50	1.91	1.32	1.61	1.32	1/1.34
Dec	1.49	1.89	1.28	1.55	1.30	

German Institute for Economic Research.
1/ Preliminary.

GERMANY: Cotton yarn and cloth prices, 1929 1/

Item	Unit	Apr 3	May 15	June 19	July 17	Aug 14	Sept 25	Oct 23	Nov 27	Dec 11
		Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Cotton yarn										
No. 20	lb	32	30	30	30	30	31	31	30	30
30	"	37	35	35	34	34	36	36	35	35
36	"	38	36	36	35	35	37	37	36	36
42	"	39	38	38	37	37	38	39	38	38
Cloth										
Cretonne:										
88 cm	yd	11.34	10.70	10.70	10.61	10.61	10.79	11.25	11.25	11.25
Renforce:										
88 cm	"	10.06	9.65	9.65	9.65	9.56	9.78	10.10	10.10	10.10
Kattune										
Croises:										
92 cm	"	8.64	8.32	8.32	8.23	8.23	8.41	8.60	8.60	8.60

Exchange Reports, Stuttgart.

1/ German prices of the Stuttgart Industrial and Handelsborerse.

CZECHOSLOVAKIA: Activity of cotton spinning mill

Month	Basis spindle hours				Basis active spindles				Activity of active spindles			
	1926	1927	1928	1929	1926	1927	1928	1929	1926	1927	1928	1929
	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent
Jan	--	98	110	101	--	87	96	91	--	113	115	111
Feb	--	101	109	100	--	90	95	91	--	112	115	110
Mar	--	105	108	99	--	91	94	90	--	115	114	110
Apr	--	108	105	100	--	93	93	90	--	116	112	110
May	--	110	100	95	--	93	95	88	--	118	105	108
June	--	110	95	94	--	94	90	88	--	116	105	107
July	59	103	80	1/81 2/89	79	93	90	1/87 2/87	80	111	89	1/ 93 2/102
Aug	63	107	87	3/88	75	94	89	3/85	83	114	99	3/104
Sept	70	115	93	4/90	76	95	90	4/85	91	121	103	4/106
Oct	60	114	98	5/89	80	95	91	5/85	101	120	108	5/104
Nov	90	111	107		86	96	91		105	116	117	
Dec	97	111	104		87	96	93		110	116	113	

Allgemeiner Deutscher Textilverband.

1/ June 15-July 7.

2/ July 14-Aug 10.

3/ Aug 10-Sept 7.

4/ Sept 8-Oct 5.

5/ Oct 6-Nov 2.

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CZECHOSLOVAKIA: Exports of cotton yarn, unbleached 1/

Month	1926	1927	1928	1929
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Jan . . .	2,921	3,624	4,200	4,105
Feb . . .	2,619	4,850	4,453	3,095
Mar . . .	2,835	5,604	5,441	4,574
Apr . . .	2,440	5,736	3,801	4,837
May . . .	2,286	5,684	3,761	3,560
June . .	2,041	6,345	3,812	4,015
July. . .	2,560	5,342	3,351	3,812
Aug . . .	3,252	5,373	3,569	4,198
Sept. . .	3,038	5,262	3,435	3,865
Oct . . .	3,309	4,667	4,261	4,173
Nov . . .	3,576	4,797	3,896	
Dec . . .	3,311	5,165	4,872	
Total .	34,188	62,449	48,852	

Official Foreign Trade Statistics.
1/ No. 501-504 of the Czechoslovakian Duty Register.

CZECHOSLOVAKIA: Exports of cotton fabrics all kinds 1/

Month	1926	1927	1928	1929
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Jan . . .	6,164	6,382	6,508	5,776
Feb . . .	6,812	7,498	7,127	5,582
Mar . . .	8,247	8,232	8,538	7,515
Apr . . .	6,076	7,743	6,047	7,829
May . . .	4,453	6,479	5,787	6,325
June. . .	4,747	7,496	5,340	6,173
July. . .	5,679	6,552	6,312	6,362
Aug . . .	6,903	9,105	7,476	8,342
Sept. . .	7,374	11,087	9,553	8,247
Oct . . .	7,571	9,234	8,655	8,763
Nov . . .	6,971	8,150	6,656	
Dec . . .	6,508	8,437	7,612	
Total .	77,505	96,335	85,611	

Official Foreign Trade Statistics.
1/ No. 527-577 of the Czechoslovakian Duty Register.

AUSTRIA: Cotton spinning mill activity, percentage of "full capacity" 1/

Month	1923	1924	1925	1926	1927	1928	1929
	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent
Jan . .	55	70	77	81	75	83	82
Feb . .	57	70	90	85	79	81	83
Mar . .	59	74	75	79	82	81	84
Apr . .	59	72	75	75	86	78	84
May . .	58	67	70	67	85	73	80
June . .	62	64	76	62	82	76	74
July. .	59	66	79	72	67	73	73
Aug . .	59	57	76	57	90	76	73
Sept. .	63	68	79	60	85	75	76
Oct . .	63	70	83	65	85	79	
Nov.. .	64	69	91	76	83	74	
Dec . .	66	78	87	75	82	80	

Austrian Institute for Economic Research.

1/ "Full capacity" means about 125 per cent of post-war single shift capacity.

AUSTRIA: Exports of cotton yarn from Austria to Germany 1/

Month	1926	1927	1928	1929
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Jan . . .	664	243	163	101
Feb . . .	494	476	260	38
Mar . . .	331	558	220	73
Apr . . .	331	694	203	106
May . . .	243	624	340	84
June. . .	203	456	243	40
July. . .	194	355	293	112
Aug . . .	139	551	201	73
Sept. . .	165	317	176	37
Oct . . .	132	245	157	29
Nov . . .	148	240	134	
Dec . . .	159	223	214	
Total..	3,203	4,982	2,604	

Official Foreign Trade Statistics.

1/ Five representative positions, i.e. sections 440 a-e of the German duty register

Japan

The Japanese cotton textile industry has expanded its equipment, and yarn production is surpassing its previous high levels. This increase in production has continued almost without interruption for about a year and a half, November production amounting to 256,000 bales, of 400 pounds each, compared with 246,000 in October, 217,000 in November 1928, and 194,000 in April 1928. Exports of cotton yarn also have increased materially in the past three months. A similar situation prevails in the cloth industry, production having risen from 120,000,000 yards in October 1928 to 131,000,000 in October 1929 and 136,000,000 in November 1929. Exports of cotton cloth have been on a high level since last January and have had an important upward trend for several years. Imports of raw cotton have been lower than they were last season, but in November imports of American cotton rose nearly to the level of November 1928. Stocks of raw cotton in warehouses reached their seasonal low point in October when supplies of American cotton were reported as especially low.

China

There has been very little change in the cotton situation since the November report with the exception that mills are now buying heavily of Indian cotton. Scattered military uprisings temporarily disturbed shipping conditions but were not of long enough duration to curtail milling operations. Mills at Tsingtsau have resumed work.

Supplies of Chinese cotton are plentiful at present but a section of the trade believes that arrivals will fall off sharply. Mills became heavy buyers of Indian cotton during the month and some good Indian cotton of a staple better than Hankow standard but of a somewhat poorer color is being delivered at mills. Business in American cotton has been quite active during the month in spite of declines in the exchange value of silver. The exchange rate is distinctly unfavorable to all import business including cotton but the active operations of the Japanese section of the Shanghai industry is an encouraging factor in the consumption of American cotton. Yarn stocks in Japanese mills are small and forward contracts promise a continuance of present spinning activity.

Following are quotations November twentieth: Hankow standard Chinese cotton January delivery 13.45 cents per pound, American middling December shipment cost insurance freight 19.75 cents per pound.

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UNITED STATES DEPARTMENT OF AGRICULTURE
Bureau of Agricultural Economics
Washington

F.S.
C-55

February 10, 1930

FOREIGN NEWS ON COTTON

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Continental Europe 1/

December and early January developments in the Continental European cotton industry were generally unsatisfactory, with declines in new business occuring in most of the important countries, including those of Central Europe, Italy and France, according to reports received from Agricultural Commissioner Steere stationed at Berlin, Germany. The dullness was partly of a seasonal character, but continued uncertainty in the raw cotton market and the quieter tendency of general business in several of these countries have been contributing factors.

Spinners' yarn sales were the object of particular complaint in Central Europe during this period, both as to volume booked and as to the prices realized. Italian spinners also had considerable reduction in new orders obtained during December, and the French yarn market experienced at least seasonal dullness. Developments in the cotton cloth markets paralleled yarn rather closely.

In spite of the less satisfactory development of sales, spinning and weaving mill activity on the Continent as a whole was well maintained during December and was probably somewhat above November levels, although a small increase in stocks of yarn and cloth is thought to have resulted.

The slowness in yarn sales resulted in rather small spinner demand for raw cotton during the period, but some revival was evident in the early part of January, following a firmer tendency in the raw cotton market. This revival proved to be slight and the end of the month brought stagnation due to a decline in raw cotton prices. Price fixing orders also increased in January after being slow throughout the preceding month. The "basis" has been very irregular since November, though it increased quite steadily throughout December. It has since shown unexpected weakness, the decline being attributed to the unsatisfactory turn in spinners' sales with resultant poorer margins, and, therefore, extremely keen bargaining for every point of the "ons". The following is a tabulation of the "basis" quotations of certain merchants at Bremen:

1/ Report dated January 20, 1930 supplemented by cable dated January 30.

COTTON: Points "on" May New York delivery
January and February, f.o.b. Bremen, 1929-30

Grade	Staple	Sept 5	Oct 3	Oct 31	Nov 11	Dec 7	Jan 8	Jan 20
Good middling	15/16	208	226	200	205	240	278	260
	1 1/16	463	491	460	470	495	530	500
Strict "	15/16	213	186	170	170	210	240	210
	1 1/16	423	441	415	425	440	480	460
Middling	15/16	133	131	110	115	135	175	140
	1 1/32	243	251	235	245	275	305	285
	1 1/16	373	371	355	365	370	400	375
Strict low Middling	15/16	73	46	40	35	45	95	65
	1 1/16	263	281	310	230	270	275	260

The competitive position of American cotton on the Continent continues little changed from that of a month ago, with quotations for cottons competitive to American remaining generally below the levels of corresponding dates of the past four years.

INDIAN AND EGYPTIAN COTTON IN PERCENTAGE OF AMERICAN
(Indian compared with Middling American, 15/16 inches at Bremen;
Egyptian compared with Strict Middling American, 1 1/16 inches,
at Bremen)

Variety	1926 Jan 8	1927 Jan 14	1928 Jan 13	1929 Jan 11	1929 Nov 8	1929 Dec 6	1930 Jan 10
Indian	Per cent	Per cent	Percent	Per cent	Per cent	Per cent	Percent
American Seed (Punjab No. 1)	90	102	97	92	88	88	90
Fine machine-ginned Broach	86	98	87	84	86	84	82
Fine machine-ginned Oomra No 2: fair staple	79	94	80	72	65	64	66
Fine machine-ginned Scindh	65	89	72	63	54	53	51
Egyptian							
Fully good fair uppers	117	119	117	106	98	97	98

Continental spinners' takings of American cotton from August 1 to January 31, 1929-30 were 2,350,802 bales compared with 2,639,712 bales during the same period last year and 2,854,273 in 1927-28.

Germany

December developments in the German cotton industry were far from satisfactory, the autumn improvement in sales giving way to a marked drop in new bookings. The spinning section reported new business amounting to only half the volume of yarn production in December, and deliveries of yarn on old contracts were very slow. Nevertheless, spinning mill activity in December is thought to have been somewhat above the November levels of 106 per cent of the average for July 1924 to June 1926, though it seemed probable that activity in January would fall below December operations.

INDEX OF GERMAN YARN PRODUCTION PER SPINDLE
(Monthly average July 1924 - June 1926 = 100)

Month	1925-26	1926-27	1927-28	1928-29	1929-30
Aug	108	85	119	101	94
Nov	116	112	125	110	106
Feb	94	118	125	102	
Apr	76	120	116	105	

Reports on the situation in the weaving branch vary considerably, but it is evident that there has been no improvement since November. Southern German mills have had somewhat better demand for winter goods but unsatisfactory inquiry for light goods. Similar spottiness is also reported from weaving centers in the Lower Rhine and in Saxony. The general level of activity in weaving establishments in December, however, is thought to have been slightly higher than in November, when operations were reported at 75.6 per cent of single shift capacity.

ACTIVITY IN GERMAN WEAVING MILLS 1/

Month	1925-26	1926-27	1927-28	1928-29	1929-30
	Per cent	Per cent	Per cent	Per cent	Per cent
Aug		74	93	86	66
Nov		85	93	85	76
Feb	86	89	93	72	
Apr	79	91	91	71	

1/ Up to December 1928, active looms in percentage of total number of looms in place; since January 1929, activity in percentage of 54 hours week (single shift) capacity.

Although the manufacturing end of the cotton industry experienced much less favorable developments in December, sales of cotton goods by distributors in Germany are reported to have been quite good throughout December, with the usual seasonal improvement prior to the holidays. There seems to be little reason to anticipate any marked diminution in demand during 1930, although some dullness may be felt in the immediate future as a result of the quiet situation in general business. The textile wholesale and retail trade have had difficult going in 1929 with numerous bankruptcies reported, but the number of failures is now tending to decline and the outlook is considered more favorable.

German spinner purchases of raw cotton were slow throughout December, and except for a slight revival in the early part of the month, January demand was also slow. C.i.f. import buying by merchants, however, has been confined to bargain lots. Arrivals of raw cotton at Bremen continue to run behind those of last year, amounting since the first of August 1929 up to January 18, 1930 to 1,164,000 bales as compared with 1,302,000 last year. Bremen exports for the same period amounted to 872,000 bales against 993,000 bales last year, so that stocks have increased only 292,000 bales as compared with a rise of 309,000 in the same period of last season. Stocks of cotton at Bremen are now about 21 per cent smaller than a year ago, amounting to 549,000 bales on January 18, as compared with 694,000 on the corresponding date of 1929.

For well over a year, both the spinning and weaving branches of the German cotton textile industry have been petitioning urgently for increased tariff protection and, as a result, the German government finally designated an impartial expert to make an inquiry into conditions in the industry. The report of the expert, recently completed and published, indicates that the German cotton textile industry is tending generally to operate at lower and lower percentages of its capacity (it is to be noted, however, that the capacity of the industry has, nevertheless, been increasing) and that prices being obtained are not in line with costs of production and in some instances considerably below. While the decline in general economic conditions is held partially responsible for the less satisfactory conditions in the industry in the past two years, over-expansion and over-production in 1927 and 1928 are reported to be the principal causes. Production costs in several competing countries were also reported to be much below German costs, the report stating that in Alsace-Lorraine they amount to only 50 to 60 per cent of the costs in Germany. The report recommends concentration of the industry and specialization of production, and indicates that increased tariff protection may eventually be necessary. It is thought that tariff revision expected in the near future will include some increase in import duties on yarn and cloth.

Czechoslovakia

Cotton spinning mill activity in Czechoslovakia showed a healthy increase during November to 95.6 percent of single shift capacity from 88.8 per cent in October, but subsequent reports indicate that conditions

have taken an unsatisfactory turn, particularly in regard to new orders. Whether the development is only temporary it is yet difficult to foresee, but it appears that there is general dissatisfaction with current operating levels and manufacturing profits. The textile wholesale trade in Czechoslovakia has also reported a number of bankruptcies during December.

SPINNING MILL ACTIVITY
(Percentage of single shift capacity)

Year	Jan	Apr	July	Nov
	Per cent	Per cent	Per cent	Per cent
1926	1/	1/	59	90
1927	98	108	106	111
1928	110	105	80	107
1929	101	100	2/ 85	96

1/ No data available.
2/ Estimate.

Austria and Hungary

December and early January reports indicate continuation of the unsatisfactory situation in the textile industry in Austria. Even weavers of colored cloth are now complaining of stagnation in sales and are beginning to reduce activity in the mills. In Hungary spinners continue well occupied and output is sold well into the month of April as a result of a revival of yarn and cloth orders following quietness around the holidays. Even in Hungary, however, some further bankruptcies in the textile wholesale trade are reported.

AUSTRIAN COTTON YARN PRODUCTION
(Percentage of "Full Capacity")

Year	Jan	Apr	July	Oct
	Per cent	Per cent	Per cent	Per cent
1925	77	75	79	83
1926	81	75	72	65
1927	75	86	87	85
1928	83	78	73	79
1929	82	84	73	76

France

The French cotton textile industry maintained previous levels of production during December and early January, although new business was seasonally small. The Rouen district was the only one reporting active business and transactions there were only spasmodic. Generally speaking, there was some increase in spinners' stocks of yarn during the period, particularly at Roubaix-Tourcoing, but it was hoped that the pick-up of business anticipated in January would dispose of December accumulations.

Cloth sales were of considerable volume during December and early January although much less important than in the weeks immediately preceding. The bulk of the new business was for the domestic market, particularly so for Lille weavers. The cloth mills are generally sold well ahead with unfilled orders extending into April and May. Activity of the mills is, therefore, being well maintained although some increase in stocks of fabrics is reported.

French spinner buying and price-fixing of raw cotton was very quiet during December, but some revival has occurred in the early part of January, both for spot and forward positions. It appears that French requirements of raw cotton are likely to show no diminution for some months to come.

Italy

Reports on the cotton industry in Italy were much less favorable during December and early January than through most of 1929. The price policy of the new syndicate of spinners appears to be having the effect, at least temporarily, of curtailing orders, and is being reflected to some extent in mill activity.

Recent new orders for yarn, according to the latest reports, are small and running considerably below the current volume of production. The activity of mills is also slightly below a year ago, although still relatively high. Unfilled orders for yarn on the other hand continue to exceed those on hand in January last year, due to good business during the Autumn months, but if the present rate of bookings continues they will drop below last year's figures before very long. The outlook for the Italian industry, however, is not to be regarded as unfavorable, though the price policy of the syndicate will bear watching in the next few months.

As a result of the reduced sales, spinner demand in Italy for raw cotton has been very quiet in recent weeks, and trade stocks of American cotton at Genoa are reported to be increasing. Spinners, however, seem to be less extensively supplied with raw material than they were at the same time last year.

SPINNING MILL ACTIVITY IN ITALY
(Percentage of single shift capacity)

Year	Feb	Apr	June	Aug	Oct
	Per cent	Per cent	Per cent	Per cent	Per cent
1928	93.0	92.5	91.7	90.9	94.5
1929	95.8	95.2	94.3	93.1	95.3

WEAVING MILL ACTIVITY IN ITALY
(Percentage of single shift capacity)

Year	Feb	Apr	June	Aug	Oct
	Per cent	Per cent	Per cent	Per cent	Per cent
1928	89.3	89.0	85.4	85.6	87.9
1929	91.2	92.5	91.0	88.6	89.8

Poland

Continued unfavorable conditions are reported in the Polish cotton textile industry. Curtailment of activity anticipated during December has actually occurred, and the Association of Polish Cotton Spinners has again recommended drastic curtailment of output because of the evidence of increasing stocks of yarn and goods and very unsatisfactory prices. A number of bankruptcies in the cotton trade and continued financial stringency are aggravating factors in the situation.

Price per pound of Indian cotton

Kind	Price					Percentage of American				
	1925 Nov 6	1926 Nov 12	1927 Nov 11	1928 Nov 9	1929 Nov 8	1925 Nov 6	1926 Nov 12	1927 Nov 11	1928 Nov 9	1929 Nov 8
	Cents	Cents	Cents	Cents	Cents	Per cent	Per cent	Per cent	Per cent	Per cent
American Seed (Punjab) No.1	21.82	16.14	19.69	18.68	17.05	98	115	9[illegible]	89	90
Fine mgd. Broach........	21.52	15.53	18.57	17.97	16.24	97	111	85	86	86
Fine mgd.Oomra No.2 f. st....	18.68	14.62	18.07	15.94	12.28	84	104	82	76	65
Fine mgd. Scindh........	16.75	12.89	16.04	13.70	10.15					
American mid 28 mm, Bremen spot..........	22.26	13.99	21.92	20.99	18.91	75	92	73	65	54
	1925 Dec 4	1926 Dec 10	1927 Dec 9	1928 Dec 7	1929 Dec 6	1925 Dec 4	1926 Dec 10	1927 Dec 9	1928 Dec 7	1929 Dec 6
	Cents	Cents	Cents	Cents	Cents	Per cent	Per cent	Per cent	Per cent	Per cent
American Seed (Punjab) No.1	20.71	15.45	21.01	18.99	16.97	94	117	99	88	88
Fine mgd. Broach........	19.90	14.85	18.99	18.28	16.16	90	112	90	85	84
Fine mgd.Oomra No.2 f. st....	18.18	13.94	17.37	16.06	12.22	83	105	82	75	64
Fine mgd. Scindh........	15.05	12.83	15.76	14.04	10.10	68	97	75	65	53
American mid 28 mm, Bremen spot..........	21.99	13.23	21.15	21.50	19.23					
	1926 Jan 8	1927 Jan 14	1928 Jan 13	1929 Jan 11	1930 Jan 10	1926 Jan 8	1927 Jan 14	1928 Jan 13	1929 Jan 11	1930 Jan 10
	Cents	Cents	Cents	Cents	Cents	Per cent	Per cent	Per cent	Per cent	Per cent
American Seed (Punjab) No.1	19.59	14.65	20.81	19.59	17.17	90	102	97	92	90
Fine mgd. Broach........	18.79	14.04	18.79	17.88	15.66	86	98	87	84	82
Fine mgd.Oomra No.2 f.st.....	17.17	13.53	17.17	15.45	12.52	79	94	80	72	66
Fine mgd. Scindh........	14.14	12.83	15.55	13.43	9.70	65	89	72	63	51
American mid 28 mm, Bremen spot..........	21.79	14.38	21.49	21.34	19.00					

COTTON: Price per pound for American and Egyptian uppers, specified dates. 1925-1929

Date	American strict middling 1-1/16", Bremen exchange	Fully good fair Uppers at L'Pool	Uppers in percentage of American
	Cents	Cents	Per cent
Oct 8, 1929..	23.60	23.04	98
Nov 6, 1925..	25.06	31.87	127
Nov 12, 1926..	16.59	21.62	130
Nov 11, 1927..	25.12	30.15	120
Nov 9, 1928..	23.74	24.16	102
Nov 8, 1929..	21.71	21.33	98
Dec. 4, 1925..	24.89	31.61	127
Dec 10, 1926...	16.18	18.38	114
Dec 9, 1927..	24.15	27.67	115
Dec 7, 1928..	24.10	24.85	103
Dec 6, 1929..	22.03	21.41	97
Jan 8, 1926..	24.69	28.99	117
Jan 14, 1927..	17.48	20.81	119
Jan 13, 1928..	24.19	28.38	117
Jan 11, 1929..	23.94	24.75	103
Jan 10, 1930..	21.80	21.39	98

COTTON: Points on May futures at New York, January and February delivery, f. o. b. Bremen, 1929-30 1/

Grade	Staple	Sept 5	Oct 3	Oct 31	Nov 11	Dec 7	Jan 8	Jan 15
		Points	Points	Points	Points	Points	Points	Points
Good middling	15/16	208	226	200	205	240	278	270
	1 1/16	463	491	460	470	495	530	510
Strict "	15/16	213	186	170	170	210	240	215
	1 1/16	423	441	415	425	440	480	460
Middling	15/16	133	131	110	115	135	175	160
	1 1/32	243	251	235	245	275	305	260
	1 1/16	376	371	365	365	370	400	385
Strict low middling	15/16	73	46	40	35	45	95	80
	1 1/16	263	281	310	230	270	275	275

1/ Average quotations of a number of Bremen merchants.

GERMANY: Bremen trade in raw cotton

Kind	Imports, Aug 1 - Jan 18		Exports, Aug 1 - Jan 18	
	1928-29	1929-30	1928-29	1929-30
	Bales	Bales	Bales	Bales
American	1,298,293	1,155,521	986,570	861,304
Indian	3,161	7,272	4,999	7,012
Sundries	998	992	1,121	4,037
Total	1,302,452	1,163,785	992,690	872,353

Bremen cotton stocks

Kind	1928-29		1929-30	
	Aug 1	Jan 18	Aug 1	Jan 18
	Bales	Bales	Bales	Bales
American	377,925	689,648	249,697	543,914
Indian	5,234	3,396	1,766	2,026
Sundries	747	624	5,739	2,694
Total	383,906	693,668	257,202	548,634

Weekly Report of the Bremen Cotton Exchange.

GERMANY: Indexes of German cotton yarn production
(Monthly average July 1924-June 1926 = 100) 1/

Season	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Av
1925-26	108	118	117	116	119	102	94	85	76	69	74	70	96
1926-27	85	99	106	112	117	115	118	122	120	123	112	118	112
1927-28	119	126	122	125	120	123	125	121	116	113	102	99	118
1928-29	101	101	90	110	102	107	102	99	105	90	95	77	98
1929-30	94	95	104	106									

German Institute for Economic Research, Berlin.

1/ Revised figures.

GERMANY: Cotton weaving mill activity 1/

Month	1925-26	1926-27	1927-28	1928-29	1929-30
	Per cent	Per cent	Per cent	Per cent	Per cent
Aug	---	73.9	92.8	85.9	66.2
Sept	---	77.4	95.4	86.3	69.5
Oct	---	82.1	93.4	87.2	72.1
Nov	---	84.7	93.1	85.3	75.6
Dec	---	86.5	93.3	85.6	
Jan	88.6	87.4	93.1	71.3	
Feb	85.5	89.3	92.6	71.5	
Mar	83.3	91.2	92.3	70.6	
Apr	78.7	91.4	91.1	70.8	
May	77.0	93.5	90.4	61.0	
June	73.3	92.9	88.7	64.3	
July	71.7	92.5	88.3	61.7	

German Institute for Economic Research, Berlin.

1/ Up to December 1928; Active looms in per cent of total looms in place; since January 1929; Activity in per cent of 9 hours shift capacity.

GERMANY: Imports of cotton yarn and woven materials

Month	Cotton yarn 1/			Woven cotton materials 2/		
	1927	1928	1929	1927	1928	1929
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Jan	6,931	13,252	8,027	1,591	5,959	2,097
Feb	8,400	11,409	6,303	2,943	4,363	1,728
Mar	10,384	10,657	7,147	3,671	4,403	1,757
Apr	13,488	10,154	6,327	3,995	3,530	1,755
May	12,509	8,823	6,259	4,687	2,650	1,499
June	13,294	8,093	5,271	4,824	2,092	1,534
July	12,328	7,502	5,780	4,694	2,255	1,356
Aug	14,240	7,046	6,583	4,277	1,235	1,164
Sept	13,962	7,286	4,921	5,355	1,534	1,254
Oct	13,514	7,842	5,209	5,620	2,015	1,484
Nov	12,840	8,082	5,600	5,758	1,728	1,581
Dec	12,879	6,676	5,410	5,373	1,576	1,358
Total	144,769	106,822	72,837	52,791	33,340	18,577

Official Foreign Trade Statistics.

1/ No. 440-No. 444 of the German Duty Register.

2/ No. 453a-No. 457d 2.

GERMANY: Cotton yarn and cloth prices 1/

Item	Unit	1929 Aug 14	1929 Sept 25	1929 Oct 27	1929 Nov 27	1929 Dec 11	1929 Dec 18	1930 Jan 15
		Cents	Cents	Cents	Cents	Cents	Cents	Cents
Cotton yarn								
No. 20........	lb	30	31	31	30	30	30	30
30.........	"	34	36	36	35	35	35	35
36.........	"	35	37	37	36	36	36	36
42.........	"	37	38	39	38	38	38	38
Cloth								
Cretonnes								
88 cm........	yd	10.61	10.79	11.25	11.25	11.25	11.25	11.25
Renforcés								
88 cm........	"	9.56	9.78	10.10	10.10	10.10	10.10	10.10
Kattune Croisés								
92 cm........	"	8.23	8.41	8.60	8.60	8.60	8.60	8.60

Exchange Reports, Stuttgart.
1/ German prices of the Stuttgart Industry and Trade Exchange.

CZECHOSLOVAKIA: Activity of cotton spinning mill

Month	Basis spindle hours 1926	1927	1928	1929	Basis active spindles 1926	1927	1928	1929	Activity of active spindles 1926	1927	1928	1929
	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent
Jan	--	98	110	101	--	87	96	91	--	113	115	111
Feb	--	101	109	100	--	90	95	91	--	112	115	110
Mar	--	105	108	99	--	91	94	90	--	115	114	110
Apr	--	108	105	100	--	93	93	90	--	116	112	110
May	--	110	100	95	--	93	95	88	--	118	105	108
June	--	110	95	94	--	94	90	88	--	118	105	107
July	59	103	80	1/81 2/89	79	93	90	1/87 2/87	80	111	89	1/93 2/102
Aug	63	107	87	3/88	75	94	89	3/85	83	114	98	3/104
Sept	70	115	93	4/90	76	95	90	4/85	91	121	103	4/106
Oct	80	114	98	5/89	80	95	91	5/85	101	120	108	5/104
Nov	90	111	107	6/95	86	96	91	6/87	105	116	117	6/110
Dec	97	111	104		87	96	92		110	116	113	

German General Textile Union.
1/ June 15-July 7.
2/ July 14-Aug 10.
3/ Aug 10-Sept 7.
4/ Sept 8-Oct 5.
5/ Oct 6-Nov 2.
6/ Nov 3-Nov 30.

CZECHOSLOVAKIA: Exports of cotton yarn, unbleached 1/

Month	1926	1927	1928	1929
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Jan	2,921	3,624	4,200	4,105
Feb	2,619	4,850	4,453	3,095
Mar	2,835	5,604	5,441	4,374
Apr	2,440	5,736	3,801	4,837
May	2,286	5,664	3,761	3,560
June.	2,041	6,345	3,812	4,015
July.	2,560	5,342	3,351	3,812
Aug	3,252	5,373	3,569	4,198
Sept.	3,038	5,262	3,435	3,865
Oct	3,309	4,687	4,261	4,173
Nov	3,576	4,797	3,896	4,462
Dec	3,311	5,165	4,872	
Total . . .	34,188	62,449	48,852	

Official Foreign Trade Statistics.
1/ No. 501-504 of the Czechoslovakian Duty Register.

CZECHOSLOVAKIA: Exports of cotton fabrics all kinds 1/

Month	1926	1927	1928	1929
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Jan	6,164	6,382	6,508	5,776
Feb	6,812	7,498	7,127	5,582
Mar	8,247	8,232	8,638	7,515
Apr	6,076	7,743	6,047	7,829
May	4,453	6,479	5,787	6,325
June.	4,747	7,496	5,240	6,173
July.	5,679	6,552	6,312	6,362
Aug	6,903	9,105	7,476	8,342
Sept.	7,374	11,087	9,553	8,247
Oct	7,571	9,224	8,655	8,763
Nov	6,971	8,150	6,656	6,997
Dec	6,508	8,437	7,612	
Total. . .	77,505	96,385	85,611	

Official Foreign Trade Statistics.
1/ No. 527-577 of the Czechoslovakian Duty Register.

AUSTRIA: Cotton spinning mill activity, (Percentage of "full capacity") 1/

Month	1923	1924	1925	1926	1927	1928	1929
	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent
Jan ..	55	70	77	81	73	83	82
Feb ..	57	70	90	85	79	81	83
Mar ..	59	74	75	79	82	81	84
Apr ..	59	72	75	75	86	78	84
May ..	58	67	70	67	85	73	80
June..	62	64	76	62	82	76	74
July..	59	66	79	72	87	73	73
Aug ..	59	57	76	57	90	76	73
Sept..	63	68	79	60	85	75	76
Oct ..	63	70	83	65	85	79	76
Nov...	64	69	91	76	83	74	77
Dec ..	66	78	87	75	82	80	

Austrian Institute for Economic Research.

1/ "Full capacity" means about 125 per cent of post-war single shift capacity.

AUSTRIA: Exports of cotton yarn from Austria to Germany 1/

Month	1926	1927	1928	1929
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Jan	664	243	163	101
Feb	494	476	260	88
Mar	331	558	220	73
Apr	331	694	203	106
May	243	624	340	84
June.....	203	456	243	40
July.....	194	355	293	112
Aug	139	551	201	73
Sept.....	165	317	176	37
Oct	132	245	157	29
Nov	148	240	134	95
Dec	159	223	214	66
Total..	3,203	4,982	2,604	904

Official Foreign Trade Statistics.

1/ Five representative positions, i.e. sections 440 a-e of the German duty register.

ITALY: Cotton spinning and weaving mill activity

Month	Spinning mill activity 1/		Weaving mill activity 2/	
	1928	1929	1928	1929
	Per cent	Per cent	Per cent	Per cent
Jan	---	95.9	---	91.5
Feb	93.0	95.8	89.3	91.2
Mar	91.8	96.3	89.1	91.9
Apr	92.5	95.2	89.0	92.5
May	94.7	96.2	88.6	92.0
June	91.7	94.3	85.4	91.0
July	91.1	92.6	85.1	90.7
Aug	90.9	93.1	85.6	88.6
Sept	92.7	94.2	86.2	89.8
Oct	94.5	95.3	87.9	89.8
Nov	95.5		90.7	
Dec	96.6		92.3	

Compiled from Bolletino Mensile di Statistica del Regno d'Italia.
1/ Spinning activity in per cent of full capacity.
2/ Weaving activity in per cent of full capacity.

Great Britain

Some improvement was noted in the British cotton yarn and cloth market about the middle of January due to better enquiries. Exports of yarn for December were 14.5 million pounds compared with 12.5 million pounds in November and 13.2 million pounds in December 1928. Exports of cotton cloth of all kinds were 273.6 million square yards in December, 284 million square yards in November and 290.5 square yards in December 1928. Exports of cotton from the United States to Great Britain for August through December amounted to 799,599 running bales compared with 1,096,516 bales for the same period last season.

Stocks of American cotton at Liverpool and Manchester were 980,000 bales on January 30, 1,062,000 bales at the same date last year, 864,000 in 1928 and 1,473,000 in 1927, according to the Commerical and Financial Chronicle.

Japan

The Japanese cotton industry has been disturbed by a rise in the value of the yen coincident with the removal of the gold embargo and by the decline in the value of bar silver according to cabled information from Consul Dickover at Kobe, Japan. Exports of cotton goods to China, India and other countries using silver currency will probably be seriously affected. Mills are buying American cotton on hand-to-mouth basis. Yarn production has remained at a high level, December production amounting to 256,000 bales of 400 pounds compared with 256,000 bales in November, 246,000 bales in October and 228,000 bales in December 1928.

Mills have been producing more than could be absorbed and stocks have been accumulating. There has been some discussion of curtailment of output of 15 to 17 per cent but no decision has been reached. Cloth production has been increasing but exports have remained stationery, being 146 million square yards in December, 146 million in November and 103 million in December 1928. Shipments of cloth during January were much smaller than a year ago.

Imports of American cotton in December were much smaller than in December 1928. Stocks of American cotton at the end of 1929 were low being 50,000 bales less than at the end of 1928 and 145,000 bales less than at the end of 1927. Up to the end of the year only 600,000 bales of American cotton of this season's crop had been contracted for, being 200,000 bales less than last year. Almost no American cotton was contracted for during Janiary and dealers were concentrating on purchases of Indian cotton, the difference in price of American and Indian cotton being greater than usual due to the fall in the value of silver.

China

Active operations still continue in Chinese cotton mills, according to a cable received from Agricultural Commissioner Nyhus, stationed at Shanghai. Favorable conditions and good profits over a period of more than a year continue to encourage mills to establish more spindles. Trade circles report that 300,000 new spindles have been added in Chinese mills and will be put into operation after the Chinese New Year. Within the industry there is firm confidence that the spinning industry will continue to flourish if political conditions and government administration improve.

Prices of Chinese cotton advanced considerably during the first half of January, partly due to lower silver exchange and partly to small arrivals and other evidences of a short 1929 domestic crop. It is thought that the crop will be fully twenty per cent below 1928 production. The low silver exchange is not favorable for imports, but with a continuation of present mill activity, the domestic supply will be inadequate and dealers in Indian cotton expect that imports of Indian cotton this season will be substantially more than last season. The drop in silver exchange is not expected to affect seriously the takings of American cotton. Prior to the drop in exchange it was estimated that takings for the current season would be ten to fifteen per cent below last season and this prospect still continues. Chinese mills and a few Japanese mills in China have turned away from fine

counts to more profitable low counts and it is expected that this change will be adopted by Japanese mills now using American cotton. At present there is a fair business in American cotton, due to an extremely short Chinese crop. Shanghai has received very small quantities of cotton capable of displacing American cotton. The effect of low silver exchange on American cotton will probably be greater in an indirect way if stagnation continues in the local piece goods market which will react upon the textile industry of Japan.

Following are quotations, January 16: Hankow standard Chinese cotton February delivery 13.58 cents per pound, American middling shipment cost insurance freight 19.97 cents per pound, standard sixteen count yarn February delivery $80.00 per bale.

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UNITED STATES DEPARTMENT OF AGRICULTURE
Bureau of Agricultural Economics
Washington

F.S.
C-56

March 26,1930

FOREIGN NEWS ON COTTON

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The general tendency of developments in the Continental cotton textile situation since the turn of the year is rather difficult to determine. It has been obscured - and still is - by considerable variation in the reaction of the cotton trade and manufacturers to the wide fluctuations in raw material prices in recent weeks. The weight of evidence, however, seems to indicate maintenance of, and possibly some slight improvement over, the position of the industry in December.

The decline in interest rates in Great Britain has not affected business sufficiently as yet to greatly relieve the textile situation. Reports still indicate that sales and production of cotton goods are low and exports of piece goods and yarn, although rising, are below those of last year.

The rise in the value of the yen and the fall in the value of silver are interfering with the cotton textile industry of Japan, and cotton spinners have agreed to curtail production nominally 17 per cent for six months from February 15. The relative cheapness of Indian cotton and present exchange rates have caused a shift in purchases from American to Indian cotton. Mills in China appear to be having a good outlet for their production, although prices have fallen in sympathy with lower prices in other countries.

Mill consumption of all cotton outside the United States for the six months ended January 31, 1930 amounted to 9,882,000 running bales, compared with 9,450,000 bales for the corresponding period last year, according to data received from the International Cotton Federation. This is 432,000 bales more than a year ago, and 695,000 bales more than for 1925-26 period. Foreign consumption of American cotton, however, was 383,000 bales below last year and only 11,000 bales above the 1925-26 figure, whereas consumption of other cottons outside the United States was 815,000 bales above last year and 706,000 above the 1925-26 figure for the corresponding 6 month period.

Mill stocks outside the United States on January 31 were 447,000 bales smaller this year than last. Foreign mill stocks of American cotton were 253,000 bales under a year ago and the lowest in five years. Moreover, stocks of American cotton in European ports and afloat for Europe were 465,000 bales below last year, according to the Commercial and Financial Chronicle. This reduction in foreign mill stocks of all cotton and of the foreign visible of American was only partly offset by larger stocks of non-American cottons in European ports and afloat. This reduction in stocks at and near foreign consuming centers has been an additional factor so far this season in causing larger stocks to remain in the United States.

Mill consumption of cotton for the periods August 1 to January 31, 1925-26 to 1929-30 1/

Season	World mill consumption			Consumption outside the United States		
	American	Other cotton	Total	American	Other cotton	Total
	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales
1925-26.....	6,974	5,364	12,338	3,936	5,251	9,187
1926-27.....	7,423	5,306	12,729	4,137	5,190	9,327
1927-28.....	8,226	4,761	12,987	4,761	4,636	9,397
1928-29.....	7,613	5,255	12,868	4,308	5,142	9,450
1929-30.....	7,083	6,119	13,202	3,925	5,957	9,882

1/ Data from the International Federation of Master Cotton Spinners' and Manufacturers' Association.

Foreign mill stocks on January 31, 1926-1930 1/

Kind	1926	1927	1928	1929	1930
	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales
American	1,121	1,193	1,243	1,260	1,007
Other cotton..........	1,728	1,723	1,949	2,288	2,094
Combined..........	2,849	2,916	3,192	3,548	3,101

1/ Data from the International Federation of Master Cotton Spinners' and Manufacturers' Association.

Stocks of cotton in European ports and afloat for Europe at the end of January 1926-1930 1/

Kind	1926	1927	1928	1929	1930
	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales
American	1,741	2,896	2,044	2,214	1,749
Other cotton..........	557	540	546	627	861
Combined..........	2,298	3,436	2,590	2,841	2,610

1/ Data from the Commercial and Financial Chronicle.

Port stocks in the United States and at Alexandria, Egypt, and Bombay, India at the end of January, 1926-1930 1/

Kind	1926	1927	1928	1929	1930
	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales
United States..........	1,504	2,877	2,292	2,223	2,423
Alexandria............	301	436	419	461	454
Bombay................	717	590	728	1,009	1,168
Combined..........	2,522	3,903	3,439	3,693	4,045

1/ Data from the Commercial and Financial Chronicle.

Great Britain

Conditions in the British cotton textile industry appear not to have changed materially in the past month. It is reported that production has been curtailed, but that sales continue low and are less than output. Exports of yarn and piece goods have been trending upward since September but are considerably below those of last year. So far the reduction in the Bank rate has not had much effect on activity in the cotton textile industry, but the relief from high interest rates is of course, desirable. Recently India has raised its import duties on cotton goods to 15 per cent, an increase of 4 per cent over the old rate. An additional duty of 5 per cent has been added however, on goods made outside the Empire.

Stocks of American cotton in Liverpool and Manchester on February 28, 1930 amounted to only 515,000 bales or 284,000 less than a year ago, according to the Commercial and Financial Chronicle. Stocks of foreign growths were 509,000 bales, however, or 198,000 above last year so that the total port stocks were only 86,000 bales lower. Exports of cotton from the United States to Great Britain have been considerably smaller this year than last. From August 1 to March 1 they amounted to 1,080,000 bales, 29 per cent lower than for last year, while for the month of February they amounted to 80,000 bales compared with 164,000 in February 1929, according to the Chronicle.

Exports of cotton yarn and piece goods from Great Britain
by months, August 1926 - January 1930 1/

Month	Piece goods				Yarn			
	1926-27	1927-28	1928-29	1929-30	1926-27	1927-28	1928-29	1929-30
	Million sq. yds	Million sq. yds	Million sq. yds	Million sq. yds	Million pounds	Million pounds	Million pounds	Million pounds
Aug	297.9	362.9	341.3	321.3	12.5	16.6	15.8	15.3
Sept......	311.7	339.0	298.2	237.5	12.1	15.6	11.2	10.2
Oct	307.7	312.1	334.0	265.8	13.5	15.3	15.1	13.5
Nov	277.6	402.2	331.4	284.0	15.3	17.4	15.4	12.5
Dec	239.8	290.6	290.5	273.6	14.8	14.5	13.2	13.5
Jan	322.3	337.4	379.3	313.2	15.9	14.9	16.9	13.2
Feb	298.8	316.2	326.1	294.5	14.3	14.5	13.7	12.2
Mar	393.9	397.4	334.0		19.3	15.5	13.5	
Apr	316.9	314.8	349.4		17.3	13.8	13.1	
May	413.6	288.9	321.5		22.8	14.1	16.0	
June......	330.1	277.9	223.9		17.2	14.4	12.3	
July......	335.2	338.6	355.4		14.0	11.4	15.0	

1/ British Board of Trade Returns.

Continental Europe 1/

Yarn sales have shown rather general improvement over December levels in France and Italy, but Central European spinners booked new business at about the same rate as in the preceding month. Complaint on prices obtained has continued, but there is little room for doubt that yarn prices on the average have held up better than raw material, so that margins have improved at least temporarily. Cotton cloth sales also picked up in Italy and the western European countries during the month, but Central Europe reported very little doing, with the bulk of orders for early delivery.

Activity in spinning and weaving mills for the Continent as a whole was apparently near or a little under December levels. In western Europe there was little if any change, but in Italy and parts of Central Europe some further slight curtailment was indicated, the pick-up in orders in Italy not being sufficient to warrant immediate reflection in increased production. Improvement seems to await a sufficient price stability to warrant more than hand-to-mouth buying of goods.

1/ Information on Continental Europe from Agricultural Commissioner Steere at Berlin.

Spinner interest in cotton has been of a pronounced in-and-out character with cotton prices moving sharply in recent weeks. The demand was quiet on all continental markets during the middle of January, but increased largely toward the close when spinners felt that the time had come to profit from the heavy decline in raw values. As the drop continued in February, demand again fell. Trade reports indicate that European mill supplies of raw material are generally moderate and statements are not lacking that stocks are low in some countries. A comparable situation also seems to exist in the textile distributing trade in most countries.

A considerable part of the cotton purchased during recent active periods in the market is reported as consisting of Indian and exotic growths, the former finding interest by Italian and the latter by French spinners. Egyptian also found considerable demand in France, but less in other countries. Central European interest centered more largely around American staple.

January reports indicated large numbers of bankruptcies and receiverships in the wholesale and retail textile distributing trade in Central Europe. Financial difficulties have also developed in the manufacturing end with a number of plants, but these are being settled by re-organization and support from interested banks. A strong effort is being made to keep such establishments functioning, so that their cotton requirements do not seem likely to fall away seriously.

Reports have circulated that Central European spinners have increased their interest in buying from Le Havre merchants, because the Bremen trade has lost confidence in, and consequently the desire to do business with, such mills. The importance of such buying seems to have been much exaggerated, though purchases from Havre on spinner acceptances have undoubtedly been going on, not because Bremen merchants would not sell but probably because they could not meet the more favorable credit terms offered from Le Havre. There has been a marked recent revival of interest among French banks for business in Germany and other parts of Central Europe, one bank having been founded recently expressly for emphasis on foreign business, particularly in this territory. Generally speaking, the worst of the financial crisis now seems to have been passed in Central Europe and more normal conditions are expected to develop as the year progresses. In Poland, however, the business outlook is much more uncertain, and the credit situation must be viewed in a different light than in these other countries.

"Basis"

The "basis" for the various grades and staples of American cotton has continued to decline slightly up to the middle of February, the only exception being middling 15/16", which recently increased slightly after an exaggerated drop in the middle of January. The following is a tabulation of the average quotations of the "basis" by a number of merchants at Bermen:

COTTON: Points "on" May, New York delivery
February and March, f.o.b. Bremen, 1929-30 1/

Grade	Staple	Sept 5	Oct 3	Nov 11	Dec 7	Jan 8	Jan 20	Feb 11	Mar 3
Good middling	15/16	208	226	205	240	278	260	250	260
	1 1/16	463	491	470	495	530	500	485	485
Strict middling	15/16	213	186	170	210	240	210	200	210
	1 1/16	423	441	425	440	480	460	435	435
Middling	15/16	133	131	115	135	175	140	145	150
	1 1/32	243	251	245	275	305	285	285	290
	1 1/16	373	371	365	370	400	375	370	380
Strict low middling	15/16	73	46	35	45	95	65	60	60
	1 1/16	263	281	230	270	275	260	260	260

1/ Average quotations of a number of Bremen merchants.

Competition of non-American growths

Prices of Indian cottons have declined relatively more than American. This decline is largely of seasonal character, however, because of the heavy movement of the Indian crop at this time of the year, the only exception to this price tendency in the past five years having been in February, 1928. The relationship between prices of Indian and American growths is now more favorable to Indian than at any time in the past five years, a fact which has resulted in rather large purchases of Indian cotton during the intermittent active spells in the market in recent weeks. Prices of Indian cotton in February this year, however, are not as much below quotations for the corresponding month in recent years as they have been running in the earlier months of the season, which is largely due, of course, to the extremely low absolute level now prevailing.

Bremen prices of Indian cotton in percentage of American 1/

Month	1925-26	1926-27	1927-28	1928-29	1929-30
	Per cent	Per cent	Per cent	Per cent	Per cent
Nov....	89	105	82	79	73
Dec....	84	108	84	78	72
Jan....	80	96	84	78	72
Feb....	74	92	87	76	70

1/Average of Bremen quotations for: Fine mgd Scindh, Fine mgd Oomra No.2 f.st., Fine mgd Broach and American seed No.1 (Punjab). American middling 15/16".

The price of Egyptian cotton, however, has been stronger, compared with American in recent weeks than it was in November, due, of course, to the sharp fall in American prices. Egyptian Government support of the Alexandria market prevented Egyptian growths from declining to the extent that American has in recent weeks, and also had the effect of holding Alexandria much above Liverpool. On February 8 cotton prices in Alexandria were $1\frac{1}{2}$ per cent lower than on January 20, while in Liverpool prices of Egyptian cotton were 5 per cent lower and prices of American cotton were 11 per cent lower than on January 20. The fall at Liverpool, in fact, has been so much greater than in Alexandria that a point has nearly been reached where it is profitable to reship Egyptian from Liverpool to Alexandria.

In spite of this marked change in the parity between Egyptian and American cotton back to a more nearly normal relationship, it is not to be expected that there will be much substitution of one growth for the other, as there is a distinct limit, for technical reasons, on the use of either growth in place of the other, particularly on the Continent. There was no material shift from American to Egyptian in recent months of unusually favorable prices for Egyptian, and, therefore, no marked return shift is to be anticipated.

Egyptian uppers prices 1/ in percentage of American 2/

Month	1925-26	1926-27	1927-28	1928-29	1929-30
	Per cent	Per cent	Per cent	Per cent	Per cent
Nov....	127	130	120	102	98
Dec....	127	114	115	103	97
Jan....	117	119	117	103	98
Feb....	108	113	115	105	104

1/ At Liverpool.
2/ Bremen quotation of Strict middling 1 1/16".

Japan

Conditions in the Japanese cotton textile industry have been disturbed by the rise in the value of the yen, due to the removal of the gold embargo, and the fall in the value of silver, according to Consul Dickover at Kobe. These currencies will have to become stabilized before export trade can return to normal. Business conditions within Japan have also been adversely affected, and have influenced the demand for cotton goods. With production at a high level, stocks accumulated. The Japanese Cotton Spinners Association, comprising about 96 per cent of the spindles, have therefore agreed to curtail production, nominally 17 per cent, actually 12 to 15 per cent, for six months from February 15. Some believe that further curtailment, either by agreement or voluntarily, will take place as mills are experiencing difficulty in selling foreward. Mills are finding it difficult to make a profit on higher count yarn and are turning to 20 count, using roughly 80 per cent Indian and 20 per cent American. They are buying on a hand-to-mouth basis, and exchange rates add to the favorableness of prices on Indian cotton. Imports of American cotton to the end of January were about 165,000 bales less than for the corresponding period a year ago. Spot American cotton on the Osaka Exchange sold in February for about 50 points below the replacement price in New York, however, and exports from the United States to Japan fell to 52,000 bales compared with 114,000 in February 1929.

China

In sympathy with lower prices of foreign cotton, prices of domestic cotton and yarn fell off during the past few weeks, according to Agricultural Commissioner P. O. Nyhus at Shanghai. Supplies of the better grades of domestic cotton continue relatively small and there has been active buying of Indian staple stock. There is some uneasiness in the spinning industry due to political developments between north China and Nanking leaders and the possibility of new civil troubles.

Normally the cotton market should be very active at this season of the year and although firm, the demand from the interior at this time is not up to seasonal strength. There is a tendency for yarn stocks in Chinese mills to accumulate. Yarns made by Japanese mills

in China are selling at premiums over many Chinese brands of these same counts and the Japanese mills are reported as completely sold out. Business in American cotton continues quite satisfactory because of a relatively good consumption by the Japanese section of the industry.

The cotton piece goods market is going through a gradual adjustment to new prices based upon the low silver exchange. Trade demand has picked up, and advanced prices have been paid, but the extent of consumer buying and the response of interior markets to revised prices remain to be determined. At the higher local prices for textiles the looms in Shanghai mills have been provided with a very proficient outlet for their products.

Germany

Developments in the German cotton textile industry during January continued unsatisfactory, with both new business and mill activity remaining about on December levels.

Reports from the spinning section for January indicate no significant change, with new sales at best about on December levels and in some districts possibly below. Buyers were hesitant because of the decline in the raw cotton market since the middle of January and the uncertainty as to the future. Orders received were largely for short-term delivery only, and takings of cotton yarn against old contracts were moderate. Prices are again complained of because of keen competition from adjacent countries, but margins have probably improved as a result of the decline in cotton. January activity of the spinning mills is thought to have been not far from the December level of 109 per cent of the monthly average July 1924 - June 1926 which compared with 105.7 per cent in November.

GERMANY: Indexes of German cotton yarn production
(Monthly average July 1924-June 1926 = 100) 1/

Month	1925-26	1926-27	1927-28	1928-29	1929-30
Aug	108	85	119	101	94
Sept	118	99	126	101	95
Oct	117	106	122	90	104
Nov	116	112	125	110	106
Dec	119	117	120	102	109
Jan	102	115	123	107	
Feb	94	118	125	102	
Mar	85	122	121	99	
Apr	76	120	116	105	
May	69	123	113	90	
June	74	112	102	93	
July	70	118	99	77	
Average	96	112	118	98	

German Institute for Economic Research, Berlin.
1/ Revised figures.

The situation of the weaving mills during January was not uniform but, on the whole, no improvement over December has been evident. Sales were rather slow with buyers reluctant, an attitude which according to the industry, the mild weather was largely responsible for, though price movement was also a factor. Orders received by the weaving mills were rather small and for short terms, with prices unsatisfactory because of keen competition between individual mills. Weaving activity is judged to have been about level with December, though local reports indicate curtailment of working time in certain districts.

GERMANY: Cotton weaving mill activity 1/

Month	1925-26	1926-27	1927-28	1928-29	1929-30
	Per cent	Per cent	Per cent	Per cent	Per cent
Aug	---	73.9	92.8	85.9	66.2
Sept	---	77.4	95.4	86.3	69.5
Oct	---	82.1	93.4	87.2	72.1
Nov	---	84.7	93.1	85.3	75.6
Dec	---	86.5	93.3	85.6	
Jan	88.6	87.4	93.1	71.3	
Feb	85.5	89.3	92.6	71.5	
Mar	83.3	91.2	92.3	70.6	
Apr	78.7	91.4	91.1	70.8	
May	77.0	93.5	90.4	61.0	
June	73.3	92.9	88.7	64.3	
July	71.7	92.5	88.3	61.7	

German Institute for Economic Research, Berlin.
1/ Up to December 1928; Active looms in percentage of total looms in place; since January 1929; Activity in percentage of 9 hours shift capacity.

Sales of cotton goods by wholesalers and retailers were slow but there was apparently no accumulation of stocks because of the cautious buying policy of the trade. The turnover in the textile retail trade in December 1929 was 94 per cent of the turnover in December 1928, and in the fourth quarter of 1929 was 96 per cent of the fourth quarter of 1928. For the full year 1929 the value of the turnover of textile retailers was 97.6 per cent of that in 1928 and the volume 96.5 per cent of 1928. The retail association's report accompanying these figures says that unsatisfactory economic conditions as well as unusual weather conditions account for the 1929 decline as compared with 1928. Bankruptcies and receiverships in the textile distributing trade continue in large numbers, but are smaller than in previous months.

Because of the situation of the cotton textile industry in Germany, the German Reichsrat has decided in favor of an increase in cotton yarn duties, but the Government is opposed. The Reichstag Committee has not yet announced its opinion. The cotton goods trade and the press are also greatly opposed to the idea.

Spinner demand for raw cotton at Bremen was quiet during January, but increased considerably for spot and near positions following the sharp decline of raw cotton prices at the end of the month. However, with continued marked decreases in prices at the beginning of February buyers again became hesitant. It is thought that spinner purchases will revive as soon as the raw market shows signs of stability or an upward movement. In conformity with the industry's attitude on new purchases toward the end of January, fixation was also considerable, but it has been moderate since. Spot business at Bremen was normal for this time of the year, and c.i.f. import purchases of the merchants were confined to cheap lots. The Bremen spot price at times ruled considerably below American shipment offers.

Arrivals of raw cotton at Bremen continue below last year with Bremen exports also lower. Stocks of raw cotton at Bremen are much smaller than a year ago. Bremen arrivals of raw cotton from the first of the season to February 15 were 1,303,000 bales this year compared with 1,449,000 bales last year. Bremen exports (to various European countries, including Germany) were 1,052,000 bales this year compared with 1,191,000 bales last year, so that stocks have increased 250,000 bales from August 1, 1929 to February 15, 1930, as against an increase of 260,000 bales during the same period a year ago. February 15 raw cotton stocks at Bremen were 508,000 bales compared with 642,000 bales a year ago and 557,000 bales two years ago.

GERMANY: Bremen trade in raw cotton

Kind	Imports, Aug 1 - Feb 15		Exports, Aug 1 - Feb 15	
	1928-29	1929-30	1928-29	1929-30
	Bales	Bales	Bales	Bales
American	1,444,189	1,284,457	1,183,963	1,035,382
Indian	3,710	11,932	5,464	10,819
Sundries	1,179	6,472	1,261	6,288
Total	1,449,078	1,302,861	1,190,688	1,052,489

Bremen cotton stocks

Kind	1928-29		1929-30	
	Aug 1	Feb 15	Aug 1	Feb 15
	Bales	Bales	Bales	Bales
American	377,925	638,151	249,697	498,772
Indian	5,234	3,480	1,766	2,879
Sundries	747	665	5,739	5,923
Total	383,906	642,296	257,202	507,574

Bremen Statistics.

Czechoslovakia

Reports from Czechoslovakia for the month of January are rather contradictory in that some reports indicate improvement in the cotton spinning section and others speak of unchanged depression both as to new business and mill activity. However, so much is certain: the activity of the spinning mills continued rather favorable, and not much below 100 per cent. Operations were at the rate of 94.4 per cent of single shift capacity during December compared with 95.6 per cent in November. New orders, however, seem to have come in only on a moderate scale and at prices causing some spinners to complain, although the price agreement existing between spinners has improved the situation. Some observers are of the opinion that spinners' margins are now sufficient to leave a reasonable profit. Bankruptcies in the textile wholesale and retail trade continued in number, with distributors' as well as weavers' business being hampered by the mild winter weather.

CZECHOSLOVAKIA: Activity of cotton spinning mill

Month	Basis spindle hours				Basis active spindles				Activity of active spindles			
	1926	1927	1928	1929	1926	1927	1928	1929	1926	1927	1928	1929
	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent
Sept	70	115	93	1/90	76	95	90	1/85	91	121	103	1/106
Oct	80	114	98	2/89	80	95	91	2/85	101	120	108	2/104
Nov	90	111	107	3/95	86	96	91	3/87	105	116	117	3/110
Dec	97	111	104	4/94	87	96	92	4/87	110	116	113	4/109

Allgemeiner Deutscher Textilverband.
1/ Sept 6-Oct 5. 2/ Oct 6-Nov 2. 3/ Nov 5-Nov 30. 4/ Dec 2-Dec 28.

CZECHOSLOVAKIA: Exports of cotton yarn, unbleached 1/

Month	1926	1927	1928	1929
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Oct	3,309	4,687	4,261	4,173
Nov	3,576	4,797	3,896	4,462
Dec	3,311	5,165	4,872	5,062

Official Foreign Trade Statistics.
1/ No. 501-504 of the Czechoslovakian Duty Register.

CZECHOSLOVAKIA: Exports of cotton fabrics, all kinds 1/

Month	1926	1927	1928	1929
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Oct	7,571	9,224	8,655	8,763
Nov	6,971	8,150	6,656	6,997
Dec	6,508	8,437	7,612	7,474

Official Foreign Trade Statistics.
1/ No. 527-577 of the Czechoslovakian Duty Register.

Austria and Hungary

The Austrian Institute for Economic Research at the end of January reported a continued unfavorable situation in the textile industry, although there was some slight increase in activity of the spinning mills toward the end of the old year. There is every reason to believe that the sales of weavers and the trade were also affected by the mild weather this winter in Austria. Bankruptcies in the textile retail trade and measures of reorganization in the industry are reported.

Recent developments in Hungary have been rather favorable, with spinners and weavers active and new business in both yarns and finished goods large. Spinners are sold out for a couple of months ahead. Reports of bankruptcies in the textile trade continue.

AUSTRIA: Cotton spinning mill activity
(Percentage of "full capacity") 1/

Month	1923	1924	1925	1926	1927	1928	1929
	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent
Sept	63	68	79	60	85	75	76
Oct	63	70	83	65	85	79	76
Nov	64	69	91	76	83	74	77
Dec	66	78	87	75	82	80	78

Austrian Institute for Economic Research.
1/ "Full capacity" means about 125 per cent of post-war single shift capacity.

AUSTRIA: Exports of cotton yarn from Austria to Germany 1/

Month	1926	1927	1928	1929
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Oct	132	245	157	29
Nov	148	240	134	95
Dec	159	223	214	66

Official Foreign Trade Statistics.
1/ Five representative positions, i. e. sections 440 a-e of the German Duty Register.

France

The French cotton textile industry has enjoyed rather favorable conditions since the turn of the year, with unchanged mill activity in the spinning and weaving establishments and a good current of business for the industry as a whole extending into February.

Yarn sales during January and early February were rather quiet, with prices unsatisfactory, in the textile centers of Northern France, but active business is reported for the Norman section. However, even with calmness in the North there was a good current of business there, and spinners, though working full time, disposed of most of their production. Some further slight increase in yarn stocks is thought to have resulted from conditions during January, but this situation is not abnormal, and it is expected that imminent

revival of business will easily dispose of what may have been accumulated during the past two months. Spinning mill activity remained unchanged at high levels, as already stated.

Mill sales of cotton fabrics were rather satisfactory during January and early February, particularly in the Norman district, even though the eastern centers reported less satisfactory business. Most of the orders received were from the interior, and export interest remained small. Weaving mill activity likewise continued very good.

Spinner demand for raw cotton improved considerably during the second half of January and the first half of February. However, most of the increase fell to Egyptian and exotic cottons. It is thought that raw material stocks in the mills are very low and that import business will improve considerably should the raw market from now on show a sustained tone. Price fixing during the last three weeks has been extensive.

Italy

Reports from the Italian cotton textile industry for the month of January and early February are somewhat improved. A revision of the price policy of the new spinner syndicate seems to have resulted in increased yarn sales recently, and it is expected that the situation will improve enough during March to raise the level of current orders up to the average of 1929.

At the present time, the volume of yarn sales is still considerably below current levels of production and seems to point to the probability that mill activity, which is now somewhat lower than a year ago, will be curtailed a little further during the next few weeks. Unfilled yarn orders on hand, however, are still above the level of this time last year, and yarn stocks in the spinning mills slightly below last year's levels, so that if the expected improvement in business materializes the outlook will continue very good from the standpoint of cotton consumption.

Improved demand for raw cotton by Italian spinners is reported since the middle of January, including some large sales of Indian cotton said to have been contracted early in February. There seems little doubt that continued good demand for raw cotton will be experienced for Italian mills if and when the outlook on the raw material market becomes more certain.

ITALY: Cotton spinning mill activity

Month	Basis spindle hours 1/		Basis active spindles 2/		Activity of active spindles	
	1928	1929	1928	1929	1928	1929
	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent
Jan	-	95.9	-	95.8	-	100.0
Feb	93.0	95.8	96.8	95.2	96.1	100.6
Mar	91.8	96.3	95.6	95.5	96.0	100.6
Apr	92.5	95.2	95.9	95.2	96.5	100.0
May	94.7	96.2	97.5	96.3	97.1	100.0
June	91.7	94.3	95.0	96.1	96.5	98.1
July	91.1	92.6	96.8	95.9	94.1	96.6
Aug	90.9	93.1	96.3	96.0	94.4	97.0
Sept	92.7	94.2	96.2	96.5	96.3	97.6
Oct	94.5	95.3	95.9	96.2	98.5	
Nov	95.5		96.3		99.2	
Dec	96.6		96.7		99.9	

Bolletino Mensile di Statistica del Regno d'Italia. 1/ Spinning activity in percentage of full capacity. 2/ Active spindles in percentage of spindles in place.

ITALY: Cotton weaving mill activity

Month	Basis loom hours 1/		Basis active looms 2/		Activity of active looms	
	1928	1929	1928	1929	1928	1929
	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent
Jan ...	---	91.5	---	90.0	---	101.7
Feb ...	89.3	91.2	91.4	89.2	97.7	102.2
Mar ...	89.1	91.9	89.0	90.3	100.1	101.8
Apr ...	89.0	92.5	89.5	90.0	99.5	102.8
May ...	88.6	92.0	89.5	89.7	99.0	102.6
June...	85.4	91.0	88.4	89.2	96.6	102.0
July...	85.1	90.7	88.0	89.1	96.7	101.9
Aug ...	85.6	88.6	88.0	88.1	97.3	100.6
Sept...	86.2	89.8	88.3	88.0	97.6	102.0
Oct ...	87.9	89.8	88.2	88.1	99.7	
Nov ...	90.7		90.0		100.8	
Dec ...	92.3		89.9		102.7	

Bolletino mensile di Statistica del Regnoe d'Italia.
1/ Weaving activity in percentage of full capacity.
2/ Active looms in percentage of looms in place.

Poland

The situation in the Polish cotton textile industry continues very unfavorable, with numerous bankruptcies reported from Lodz - the main Polish textile center. Although there is little hope for betterment in the next month or two, it is probable that some improvement will occur later on in the spring when the industry has worked stocks down. It is expected that the extreme dullness in agricultural buying will be partially alleviated by help from the Government and that as a result rural demand for textile goods will revive somewhat. It is also thought that prospects for Polish textile exports are somewhat brighter in consequence of prospective new trade treaties with Germany, Rumania, Greece and Turkey. Benefit from the German treaty would be indirect through strengthening of rural purchasing power.

The mild weather during this winter, however, has proved a considerable handicap to the Polish cotton industry, already laboring under difficult conditions.

Soviet Russia

Our previous report that the 1929 crop of Russian cotton is likely to fall short of 300,000 tons and will, therefore, not reach the officially planned figure of 310,000 tons is confirmed by reports received during January and the first half of February. Our estimate of 1,330,000 bales, or 288,000 tons, still remains not far from the probable outturn although recent indications point to the possibility that this figure may not be reached. Some insect damage as well as unfavorable weather conditions early in October are largely responsible for the lower outturn of the crop, although the non-execution of the contraction plan already reported has also been a factor.

As a result of this less favorable crop outturn, the pace of cotton procurings is running behind the yearly plan. The entire procuring campaign was to have been finished by December 15, 1929, but only 75.8 per cent of the plan was procured in Middle Asia by February 1 and the situation seems to be similar in Transcaucasus. Actual figures on the development of the campaign are rather scanty but it seems that the Government will find itself compelled to reckon with the non-execution of the cotton procuring program which was fixed to 22.5 per cent above the preceding year's. The increase of the crop is materially less than that. Moreover, a relative reduction of the commercial crop of cotton seems probable this year in view of growers sales of raw cotton made on the private market as well as tactical opposition by the rich cotton growers.

Recently published figures on the production of the Russian cotton industry in 1928-29 indicate that developments there were about in line with those outlined by last year's plan.

RUSSIA: Production of the cotton textile industry

Year	Cotton yarn	Cotton fabrics
	1,000 pounds	1,000 yards
1926-27		
1 Quarter......	148,811	668,518
2 "	145,945	643,256
3 "	154,983	648,286
4 "	140,874	597,652
1927-28		
1 Quarter......	167,991	696,623
2 "	182,320	735,665
3 "	174,825	667,315
4 "	164,684	677,157
1928-29		
1 Quarter......	192,903	761,911
2 "	189,596	759,505
3 "	189,155	807,186
4 "	175,266	761,474

Although results were satisfactory in respect to the volume of production, the press continually complains of the poor quality of cotton goods, and it seems that the plans for the reduction of production costs have not materialized.

Plans for 1930

A recent meeting of the Supreme Council of Economics indicated the possibility of surpassing the sowing plan previously approved of by the Council of Labor and Defense. It was the opinion of the meeting that an acreage of 1,595,000 hectares can be sown to cotton in the U.S.S.R. in 1930. However, the press complains of poor preparation for the approaching sowing campaign, with irrigation particularly mentioned as leaving much to be desired. The possibility of a repeated large non-execution of the contraction plans is also mentioned by the press. In this connection, the large increase of prices for loacl wheat on the private market in the cotton districts is of some significance. Thus, for example, wheat prices had increased by 18.5 per cent in the forghan region in October 1929 when compared with October of the previous year, and is reported to have risen anywhere from 30 to 95 per cent in other regions. Seeing that a considerable share of the acreage increase under cotton in 1930 is to take place through replacement of wheat by cotton, such a development of the domestic grain market is very unfavorable. Despite this situation the Council of Labor and Defense prescribes a commercial crop of cotton fiber of 500,000 metric tons in 1930. This seems much too optimistic, notwithstanding the success of past cotton plans.

The production plan of the cotton textile industry in 1929-30 foresees an 11.1 per cent increase over 1928-29 levels, while the consumption of raw material by the industry is planned to increase by 11.9 per cent. The rather tense situation with respect to raw material last year seems to have resulted in fixing the raw material supply at a somewhat higher figure than the production figure of cotton goods. Slightly downward revisions of these percentages will be necessitated by the smaller crop outturn unless imports are increased.

Imports of cotton in 1928-29

Russian imports of all cottons during the econimic year 1928-29 amounted to 123,070 metric tons compared with 145,148 metric tons imported in 1927-28. Imports from the United States amounted to 77,659 tons compared with 96,377 tons in the preceding year. As had been expected, the largest decline took place in the case of American cotton, as out of the total decline of 22,000 tons, 18,700 tons fell to the share of cotton from the United States. While imports of cotton from the United States decreased 20 per cent, the reduction of cotton imports from other countries amounted to only 7 per cent, the two together making a 15 per cent decline for cotton from all sources. Russia is endeavoring to accelerate this tendency in the near future, as statements recently appeared in the Soviet press to the effect that the revised 5-year plan will enable a complete "liquidation" of American cotton imports and will also permit some exports of Russian cotton in exchange for certain foreign cottons of other grades and staples. Several thousand bales of Russian cotton of better grades and staples recently appeared in Bremen and Liverpool.

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UNITED STATES DEPARTMENT OF AGRICULTURE
Bureau of Agricultural Economics
Washington

F.S.
C-57

April 12, 1930

FOREIGN NEWS ON COTTON

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The improving prices of raw cotton appear to have stimulated trade in the world cotton and cotton textile markets generally. The period of weak prices had a retarding effect on purchases and stocks were permitted to decline. Apparently this condition has now been reversed.

Some improvement has taken place in the British cotton textile trade since the middle of March, although considerable mill curtailment is still reported. The Japanese cotton textile situation is much the same as last month, with production and exports below the peak, and the production of yarn somewhat below the level of a year ago. Despite civil difficulties in China, the steadying of the Chinese exchange rate has improved the textile business. Chinese mills are buying large quantities of Indian cotton, but stocks of American cotton are very low and with small receipts of native cotton the discount of native cotton under American cotton is considerably less than it was last fall.

Basic conditions underlying continental demand for American cotton remained essentially unchanged during February and early March. Raw cotton stocks are moderate and goods stocks generally reduced, but mill consumption and takings of cotton are proceeding at levels considerably below those of the previous two seasons. Slightly better tendencies have appeared in some countries, but less favorable developments in others have left the situation for the continent as a whole about the same.

Great Britain

The British cotton trade improved the latter part of March due to a rather well sustained demand for cloth and yarn. With recently higher prices sales are reported to have been checked somewhat, and mill curtailment is still large, according to cable advices to the Bureau. However, the market is said to have a better undertone, due to the improved trade conditions. Liverpool sales of all cotton as reported by the Commercial and Financial Chronicle, rose from 23,000 bales the week ended March 1 to 38,000 the week ended March 28. Sales of American cotton rose from 14,000 to 22,000 bales.

Exports of yarn and piece goods have been generally low for several months, and mill curtailment is still of considerable proportions. Exports of cotton from the United States to Great Britain for the 4 weeks ended March 28 totaled 39,000 bales, or exactly half as much as for the corresponding period last year, according to the Chronicle. Stocks of American cotton at Liverpool and Manchester are likewise reported to be low, amounting to 463,000 bales on March 28, against 768,000 a year earlier. The decrease in imports of American cotton has been partly offset by larger imports of Indian cotton, and the decrease in stocks of American cotton at Liverpool and Manchester is much more nearly offset by the larger stocks of Indian and other non-American cottons.

Japan

Conditions in the Japanese cotton textile industry did not change materially during March, according to a cable from Consul Dickover at Kobe. A further curtailment of 5 per cent has been discussed because of curtailment in demand. The spinning of coarse yarn, using principally Indian cotton has increased. At present there is about $3\frac{1}{2}$ months' supply of American cotton either in Japan or purchased and afloat. Additional requirements would, therefore, probably amount to 150,000 to 160,000 bales more before the end of the cotton year, but purchases may be larger. Imports of American cotton in February totaled 126,000 bales, 80,000 less than February last year. Yarn production in February amounted to 94,000,000 pounds, 9,000,000 pounds less than in December, due to the short month and curtailment of output, but 7,000,000 pounds above February 1929. Yarn stocks are increasing. Cloth production is normal, but exports decreased to 143,000,000 square yards, or about the level of a year ago. Mills fear a higher Indian tariff on cloth will have an unsatisfactory affect. Nippon Menka Kabuskiki Kaisha, which trades in the United States under the name of Japan Cotton Trading Company, one of the largest speculative cotton importers, is in serious financial difficulties due to the accumulated losses during the past 10 years. It is believed creditor banks will reorganize and maintain the firm, and this may do much to lend stability to local cotton market.

China

The tenseness of the political situation with recurring prospects of peace but finally open hostilities between north China and Nanking dominated conditions of the yarn and piece goods market during March, according to Agricultural Commissioner Nyhus at Shanghai. Exchange has been steady and gradual improvement in the textile business based upon the low silver exchange has continued in spite of the political situation.

Arrivals of native cotton are small and mills have bought and are still buying Indian cotton heavily. Deliveries of yarn have been brisk and very satisfactory, but uneasiness for the future due to the political situation is a cause of weakness in the market and of slightly lower prices. Stocks of American cotton in the Japanese section of the spinning industry have been very low and at the low prices there was active buying. Consumption is well maintained and since requirements for later months have not been satisfied it is expected that a good business will likewise be done for April, May and June shipments. On March 21, Hankow standard cotton for April delivery sold at 12.47 cents per pound and American middling 7/8 inch, for March shipment, cost, insurance, freight 17.07 cents per pound. This difference of 4.6 cents compares with a difference of $7\frac{1}{4}$ cents per pound last October.

Continental Europe 1/

While there is as yet no general tendency for yarn sales to pick up in Europe, the trade generally seems to anticipate sound improvement. The goods stock situation seems fully to justify this view. Italy, Austria and Hungary indicated somewhat improved business in yarn during February and early March, but the western European and the other Central European countries reported less favorable new bookings, though there was not much change in Germany. Cloth mills, doubtless as a result of the generally low level of goods stocks, had slightly better business than spinners. Orders for fabrics are reported somewhat improved in parts of Central Europe and were about unchanged in other countries, which, a month ago, were reporting increased demand for cloth.

The general level of activity in spinning and weaving establishments for the Continent as a whole appears to have been lowered slightly in February and March, as a consequence of the drop in new business experienced after the turn of the year. The curtailment has been of minor character and has been confined largely to Italy and certain parts of Central Europe, western European mills maintaining previous operations, according to all reports. Present conditions in the cotton market are such as to require close alignment between production and sales, so that the slightly lessened activity should not be interpreted as a change in basic conditions.

Spinner demand for cotton has been generally affected by the uncertainty and weakness in the raw material market during February and early March. Demand was comparatively quiet during most of February, but experienced some revival during the second half of the month and into March. This improved buying, especially in France. Price fixing by spinners was also moderate and generally in line with their buying policies. That spinners have held purchases of American cotton to a minimum is indicated by the low level of mill stocks of American cotton shown, particularly in Central Europe, by the International Federation reports as of January 31, 1930, and the reduced rate of spinner takings. Spot business in the continental markets has also been limited during the period, but c.i.f. import purchases by cotton merchants have increased in importance toward the middle of March.

1/ Based on report dated March 20 from Agricultural Commissioner L. V. Steere at Berlin, supplemented by cable of March 29.

Reports from the wholesale and retail textile distributing trade during February and early March point to the continuance of rather large numbers of bankruptcies and receiverships, particularly in Central and Southern European countries. Numerous cotton mills are in similar difficulties. It is also indicated that payments are exceedingly slow throughout the textile trade. Nevertheless, optimism seems to be growing as to prospects for a revival of business later on, as stocks of finished and semi-finished goods are reported generally low in distributing channels.

Actual spinners' takings of American cotton, after a steadily declining trend for many weeks, have apparently improved although still running a little below figures of a year and two years ago. The low level of takings in recent weeks has doubtless served to reduce further the comparatively low stocks of American cotton at mills indicated in the January 31 report of the International Federation, although the rate of consumption is reduced.

Although it is evident that continental spinner demand for American cotton has been materially lower this season, even when allowance is made for the effect of the fall in general price levels, this has no doubt been due in part to the effect of declining prices in retarding spinners' takings.

"Basis"

The basis for various grades and staples of American cotton, as quoted by Bremen merchants, has shown little movement since the middle of February. The grades above middling were somewhat cheaper in the case of better staples, but dearer for 15/16". Middling rose slightly for staples above 15/16" but decreased slightly for the latter length. Strict low middling was generally a little lower than a month ago.

Competition of non-American growths

There is little change to report in the very favorable position of competitive cottons. Prices of Indian have risen slightly in the past month in relation to American, but Egyptian uppers continue about as a month ago.

COTTON: Points "on" May and July, New York delivery
March and April, f.o.b. Bremen, 1929-30

Grade	Staple	Mar 15		Jan 8	Dec 7
		July	May	May	May
Good middling	15/16	235	255	278	240
	1 1/16	460	480	530	495
Strict middling	15/16	185	205	240	210
	1 1/16	410	430	480	440
Middling	15/16	125	135	175	135
	1 1/32	265	285	305	275
	1 1/16	355	375	400	370
Strict low middling	15/16	35	55	95	45
	1 1/16	235	255	275	270

Bremen prices of Indian cotton in percentage of American 1/

Month	1925-26	1926-27	1927-28	1928-29	1929-30
	Per cent	Per cent	Per cent	Per cent	Per cent
Nov.	89	105	82	79	73
Dec.	84	108	84	78	72
Jan.	80	96	84	78	72
Feb.	74	92	87	76	70
Mar.	77	91	87	74	72

1/ Average of Bremen quotations for: Fine mgd Scindh, Fine mgd Oomra No. 2 f. st., Fine mgd Broach and American seed No. 1 (Punjab).

Egyptian uppers prices 1/ in percentage of American 2/

Month	1925-26	1926-27	1927-28	1928-29	1929-30
	Per cent	Per cent	Per cent	Per cent	Per cent
Nov.	127	150	120	102	96
Dec.	127	114	115	103	97
Jan.	117	119	117	103	98
Feb.	108	113	115	105	104
Mar.	109	117	119	104	104

1/ At Liverpool.
2/ Bremen quotation of Strict middling 1 1/16".

The extremely favorable price relationship of Indian and Egyptian growths when compared with American, i.e., very low prices of the former, has had a noticeable effect in consumption by continental mills during the first half of the current season. There has been a substantial rise in the use of Indian, Egyptian and "Sundries" cotton in spite of a large decline in the consumption of American cotton and a decrease of 4 per cent in the total consumption of all cotton when compared with the first half of last season.

Mill consumption of raw cotton by growths in 16 continental countries, first half of season 1/

Season	American	Indian	Egyptian	Sundries	Total
	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales
1927-28	2,403	358	252	90	3,103
1928-29	2,207	456	244	89	2,996
1929-30	1,960	506	281	141	2,888

1/ Calculated from Manchester returns, with the addition of Hungary for 1928-29 and 1927-28.

The decline in cotton consumption in these continental countries, therefore, has been entirely at the expense of American cotton, the use of which has decreased 11 per cent in the 6 months ended January 31, 1930, as compared with last season, and 18 per cent compared with the season before last.

Germany

The situation in the German cotton textile industry remained unfavorable during February, with only minor improvement in new business, and with mill activity about unchanged. Neither the distributing trade nor converters were willing to go beyond hand-to-mouth commitments while prices were weak, even though the price level was very low and stocks on hand were generally light to moderate. Reports from the spinning branch indicated little change in the rate of yarn sales. Orders received were chiefly for early covering of the most urgent needs only. Increased competition from foreign yarns of medium and fine count, particularly of English origin, is also complained of. Spinners' margins, however, have shown some improvement as a result of the proportionally heavier decline in the raw market than in quotations for yarn, although manufacturers maintain that margins are in no way as satisfactory as press reports indicate. Spinning mills continue comparatively active in Germany, in spite of the unsatisfactory market situation, with operations in January at 107.6 per cent of the monthly average July 1924-June 1926. February operations are thought to have been on about the same level.

GERMANY: Index of cotton spinning activity 1/
(Yarn production per spindle in percentage of monthly average July 1924-June 1926)

Month	1925-26	1926-27	1927-28	1928-29	1929-30
	Per cent	Per cent	Per cent	Per cent	Per cent
May	---	69	123	113	90
Aug	108	85	119	101	94
Nov	---	112	125	110	106
Dec	---	117	120	102	109
Jan	102	115	123	107	108

1/ Revised figures.

February reports from the weaving section indicated continued reluctance of cloth buyers. The position of weavers of colored cloth was improved slightly by a revival of interest in light summer goods, but sales and production of winter goods were unsatisfactory. The sales of the white goods in February were also below the industry's expectations. Weavers complain about prices and payments, the latter of which are generally slow and bringing some losses. Export sales of cloth continue small. The tendency to curtail activity in weaving establishments apparently came to an end in January, when activity

was 71.6 per cent of single shift capacity. The industry reports that no further reduction occurred in February, and it appears that operations were at a rate a little above 72 per cent during the month.

GERMANY: Cotton weaving mill activity 1/

Month	1925-26	1926-27	1927-28	1928-29	1929-30
	Per cent	Per cent	Per cent	Per cent	Per cent
May	---	77.	93.5	90.4	61.
Aug	---	73.9	92.8	85.9	66.2
Nov	---	84.7	93.1	85.3	75.6
Jan	88.6	87.4	93.1	71.3	71.6

1/ Up to December 1928; Active looms in percentage of total number of looms in place; since January 1929; Activity in percentage of 54 hours week (single shift) capacity.

Reports on business in the cotton wholesale and retail distributing trade during February indicate a volume of business about in line with January sales, which means a turnover about equal to that of a year ago. It is indicated, however, that stocks of finished and semi-finished goods held by distributors are generally very modest, as a result of the cautious buying evidenced for many months, so that trade conditions, generally speaking, are favorable for some buying for stock when the incentive develops. The chief deterring factors are the dullness in general business and the rather strained financial conditions which seem to exist in the textile trade. Seasonal increase in unemployment is expected to benefit business in the next few months, however, and there are also signs of improvement in credit as well as general financial conditions. On the other hand, it is apparent that prevailing retail prices for finished cotton goods in no way reflect the decline in raw material in recent weeks, so that there is no ground for expecting consumer buying to be materially stimulated by the reductions in raw cotton prices.

A new financial reform program proposed by the German cabinet includes a turnover tax on first transactions following importation, which were previously exempted. Trade circles have some fear that this will apply to raw cotton and result in an increase in price, but the Government has authority to exempt certain raw materials, and it is thought that raw cotton would be among the articles exempted.

German spinner demand for raw cotton at Bremen was quiet during the first half of February, but improved later in the month, to be followed by a further hesitancy early in March, when cotton prices sagged sharply. The upward movement of prices in the second half of March again brought out extensive spinner demand, which, it is thought, will continue in good volume if prices remain firm. Spinner fixing of prices was generally in line with buying during this period. Spot business at Bremen continued rather limited, but c.i.f. import purchases by merchants rose during March.

Arrivals of raw cotton at Bremen remain below last year, as is also true of the export movement from Bremen. Stocks of raw cotton are about 90 per cent of a year ago. Arrivals at Bremen from August 1 to March 15 have totaled 1,440,000 bales as compared with 1,560,000 in the same period last year. Total exports from Bremen in the same period were 1,209,000 bales as compared with 1,392,000 bales last season, so that stocks have increased during the period by 231,000 bales as compared with an increase of 168,000 bales during the same period last season. Stocks of all cotton at Bremen on March 15 totaled 488,000 bales as compared with 551,000 a year ago and 530,000 bales two years ago.

Czechoslovakia

Reports from both the spinning and weaving branches of the cotton textile industry in Czechoslovakia have been unsatisfactory during February, although operating levels in the mills apparently continued relatively high. Fine spinning spindles in January, for example, operated at 93.7 per cent of single shift capacity compared with 94.4 per cent in December. The latest information indicates, however, that curtailment of operations in both spinning and weaving sections is contemplated because of the continued unsatisfactory development of new business. Reduced production, therefore, seems probable unless the upturn in the raw material market brings a stimulus to new business.

The situation in Czechoslovakia at present is characterized not only by difficulty in the disposal of products, but also by financial difficulties in the manufacturing and distributing end of the industry. A number of reorganizations in the textile industry are reported under way. Some of the immediate difficulty of the industry seems to be attributable to the failure of the cotton price cartel as a result of competition from outside establishments. The unfavorable development of cotton goods exports has also contributed, the expansion of the cotton textile industry in Hungary and Yugoslavia being a case in point. Business with Rumania has also been quieter in recent months.

While present prospects for the cotton textile industry in Czechoslovakia seem unfavorable, there is reason to believe that a change in the course of raw material prices and a radical readjustment of cotton goods retail prices to raw material costs would have a very salutary effect. Czechoslovakia would surely be favorably influenced in the event of a general revival in European cotton mill activity.

CZECHOSLOVAKIA: Activity of cotton spinning mills
(In percentage of single shift capacity)

Month	1926-27	1927-28	1928-29	1929-30
	Per cent	Per cent	Per cent	Per cent
Aug	63	107	86	88
Oct	80	114	98	89
Jan	98	110	101	94

Austria

The Austrian cotton textile industry is in a difficult situation, notwithstanding February reports of a slightly better tendency in sales of both yarn and cloth. Austrian textile mills are regarded as probably more sensitive than those of any other country to the development of keen competition in the international market, which at present is very intense, and especially so far Austria because of its heavy dependence upon exports as an outlet for its surplus production of cotton yarn. Nevertheless, spinning mill activity in Austria is being quite well maintained at levels not greatly below those of corresponding months in the past two years.

The Austrian government has recently been studying plans for relief of industries most affected by the current difficult economic conditions in Austria, the textile industry being one to receive particular attention. An important cause of the difficulty of the industry is held to be the lack of balance between the weaving and spinning branches, a condition which capital scarcity has prevented from being remedied. It is hoped to bring about an increase of weaving mill capacity to care for the surplus of cotton yarn for which Austria is now forced to seek export outlets. This general situation is reflected in a sharp declining tendency of spindlage in the Austrian cotton industry in the last year, a drop of 130,000 spindles having occurred between July 31, 1929 and January 31, 1930, following a decline of 90,000 during the previous half year. Austria now has 828,000 spindles in place compared with 1,014,000 in 1928 and 1,140,000 in 1921.

AUSTRIA: Cotton yarn production
(In percentage of "full capacity")

Month	1925-26	1926-27	1927-28	1928-29	1929-30
	Per cent	Per cent	Per cent	Per cent	Per cent
Aug	76	57	90	76	73
Oct	82	65	85	79	76
Dec	87	75	82	80	78
Jan					80

Hungary

Cotton textile developments in Hungary continue very favorable. New business in cotton yarn has been good up to the middle of March, and sales of fabrics are reported active, largely, it is said, because of the sound policy of the industry and trade in keeping goods prices in line with raw material. Spinners and weavers are reported sold out for some time ahead, and the outlook appears generally good. Bankruptcies and financial difficulties continue in the distributing trade, but in smaller numbers than hitherto.

France

The French cotton textile industry continues to maintain a high level of cotton consumption, in spite of rather uneven developments in different branches of the industry and some variation between conditions in different manufacturing centers.

Spinning and weaving mill activity remain high, although yarn business has been stagnant in recent weeks, particularly in the Roubaix-Tourcoing district. Rouen spinners have enjoyed somewhat better sales. The uncertainty and weakness of raw material, prices, as in other countries, is the factor underlying this tendency, though reports recently speak of competition from Spanish yarn. Maintenance of high activity has brought about some accumulation in yarn stocks at mills in northern France in recent weeks, and belief is expressed that a reduction in operations may be necessary unless sales improve. French spinners, however, are under the necessity of maintaining operations as long as possible in order to hold their laborers, as well as for considerations involving costs of production. In France, as in other countries, it appears that the decline in raw material prices retarded yarn sales.

Reports from French cloth mills indicate maintenance of rather satisfactory sales during February and the first half of March, particularly in Normandy. Colored cloths, which have been moving slowly during recent months, have come more into demand, but inquiry for grey has taken a less favorable turn. All in all, however, weaving mill activity remains very good and seems likely to be reasonably well sustained in the immediate future.

Spinner demand for raw cotton was relatively good during the second half of February, though principally for "sundries" growths. Early in March both price fixing and spinner purchases of raw cotton became unsatisfactory, largely, it is believed, as a result of the situation in the raw cotton market, but by the middle of March spinner buying was large.

Italy

Italian cotton textile reports for February and the first part of March are somewhat more favorable than around the turn of the year, although mill activity has recently been reduced, following the fall in the ratio of sales to output in December and January.

The recent improvement in the tone of reports is due to somewhat better bookings of both yarn and fabrics by the mills. Orders in the middle of February were still considerably below prevailing levels of production, but have risen above output during the first half of March, though not to the extent prevailing a year ago at that time.

The less satisfactory tendency of sales during January and February resulted in an increase of mill stocks of yarns to a level above figures for a year ago, while the volume of unfilled orders per spindle fell below corresponding figures of last year. With spinning mill activity now being held under operating levels of a year ago, and with sales showing some inclination to rise above production, there seems reason to believe that a reversal of this tendency of stocks and orders will take place in the near future, particularly if raw material strengthens. Reports from Italy are now tinged with some optimism, so that the outlook seems better, even though recent bankruptcies in the industry are reported, including, among others, one large spinning mill.

Spain

An important recent development in the European cotton industry has been the consolidation of eleven of the most important spinning mills in the Barcelona district into a concern called "Union-Industrial Algodonera". One purpose of the consolidation is said to be to concentrate to a greater extent upon export business. This may possibly be at the back of recent reports of Spanish competition in France. The new company is reported as expecting to confine production to a few standardized counts and as hoping to benefit from concentration of raw material purchasing.

Poland

Reports from Poland indicate continuation of the unsatisfactory situation in the industry previously reported. Financial conditions among the mills and in distributing trade in Poland are reported very unfavorable.

Russian cotton prospects for 1930 1/

Russia

Figures on production in the Russian cotton textile industry are not available for recent months, but it is known that production is running somewhat behind the year's plans, though improvement is indicated during February. This development seems to be due to raw material difficulties, as reports indicate that there is some tensity in the raw cotton supply situation in Russia, notwithstanding the generally upward tendency of domestic production. The shortage is partially due to the evident failute of last year's crop to come up to expectations and to the restriction of imports of American cotton, apparently for financial reasons. Some shortage of raw material is also

1/ Information from Agricultural Commissioner L. V. Steere at Berlin.

confirmed by figures on stocks of cotton at Russian mills on January 31, 1930, which show that no American cotton was on hand this year as compared with 12,000 bales on January 31, 1929 and 16,000 bales on the same date, 1928. At the same time, stocks of overseas cottons, almost entirely "sundries"- which means largely domestic though probably some Persian- are much below a year ago, amounting to only 200,000 bales, as compared with 321,000 last year and 287,000 two years ago. It is possible that stocks may be higher at concentration points other than the mills, but the reduced crop and reduced imports, together with increased consumption during the first half of the season, are probably more important factors.

Russian consumption of raw cotton of all growths during the half year ending January 31, 1930, amounted to 925,000 bales of 478 pounds net, or an increase of 3 per cent, as compared with the same period last year. Consumption of American and Egyptian cotton decreased by 27 per cent and 25 per cent, respectively, but consumption of "sundries"-Russian and Persian- rose by 16 per cent, which with a consumption of 42,000 bales of Indian cotton, accounted for the 3 per cent increase in total consumption.

RUSSIA: Mill consumption of raw cotton
(Half-years ended January 31)

Kind	1927-28	1928-29	1929-30
	1,000 bales	1,000 bales	1,000 bales
American	376	317	231
Indian	---	---	42
Egyptian	55	53	40
Sundries	350	528	612
Total	781	898	925

It appears doubtful that Russia has enough cotton to carry out its cotton manufacturing plan. Its financial position, however, may not permit the Government to increase imports sufficiently to carry out the full plan. The chances seem to favor some curtailment of the manufacturing program and possibly a moderate increase in the planned amount of cotton imported from abroad.

A recent development of interest is the appearance of press reports to the effect that trial orders for Russian sewing thread, including one important transaction, have recently been placed by German firms. Russian thread has previously been reported on the Polish market. This development is apparently a resumption of a trade that existed before the War, when mills in the Leningrad district were rather important competitors of English thread exporters, particularly in Eastern European territory.

Current reports in the Russian press on prospects for the 1930 cotton crop are tinged with considerable pessimism, but expressions of pessimism and alarm about preparations for coming crop campaigns are a well established phase of the Soviet Government's propaganda for spurring on the party organizations to greater efforts in carrying out the plans whose execution they are entrusted with. The Russian cotton acreage expansion program has been perhaps the most successfully executed of the agricultural plans. At the beginning of March the seed supply in two important regions was indicated as only about sufficient to cover three-fourths of the requirements, but there is no indication that the balance cannot be collected. Reports indicate that water supplies for irrigation will probably be satisfactory this year because of abundant snowfall in the water shed areas supplying the cotton regions. The outlook for winter sown bread grains in the cotton regions is also reported good. The supply of fertilizer is reported insufficient in the past. Of course, the rate of expansion of cotton acreage may be slower in the future than in the past.

RUSSIA: Cotton area and production

Season	Acreage sown to cotton	Production of cotton fiber
	1,000 acres	1,000 bales 1/
1925-26	1,464	782
1926-27	1,620	774
1927-28	1,858	994
1928-29	2,270	1,135
1929-30	2,559	1,351

1/ 478 pounds.

COTTON, AMERICAN: World mill consumption, 1927-1930

Country	1927		1928		1929		1930
	Half year ended		Half year ended		Half year ended		Half year ended
	Jan. 31	July 31	Jan. 31	July 31	Jan. 31	July 31	Jan. 31
	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales
Great Britain	940	1,137	1,027	922	971	939	880
Germany	565	649	677	599	550	474	468
France	419	406	407	422	419	405	380
Russia	267	123	376	117	317	73	231
Italy	342	338	342	365	372	373	355
Czechoslovakia	172	236	237	197	196	181	171
Belgium........	140	116	113	102	120	99	93
Spain	91	151	151	163	156	135	130
Poland	28	125	173	145	123	87	98
Switzerland ...	146	27	28	29	27	26	24
Holland	47	70	74	73	76	75	76
Austria	62	66	64	58	52	51	39
Other countries	108	103	122	109	101	126	126
Total Europe ..	3,327	3,547	3,791	3,301	3,480	3,044	3,071
India	60	290	117	21	27	25	25
Japan	513	619	572	506	522	578	573
China	113	161	151	146	121	158	130
Total Asia	686	1,070	840	673	670	761	728
United States	3,286	3,597	3,465	3,070	3,305	3,483	3,157
Canada	87	105	94	101	103	115	93
Mexico	---	---	---	---	---	---	---
Brazil	---	---	---	---	---	---	---
Total America .	3,372	3,702	3,559	3,171	3,408	3,598	3,250
Sundries	37	38	36	36	55	60	34
Total world	7,423	8,357	8,226	7,181	7,613	7,463	7,083

Compiled from reports of the International Federation of Master Cotton Spinners' and Manufacturers' Associations.

COTTON, ALL KINDS: World mill consumption, 1927-1930

Country	1927		1928		1929		1930
	Half year ended:		Half year ended:		Half year ended:		Half year ended
	Jan. 31	July 31	Jan. 31	July 31	Jan. 31	July 31	Jan. 31
	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales
Great Britain...	1,416	1,594	1,521	1,383	1,440	1,360	1,415
Germany	702	776	824	761	724	654	676
France	625	557	575	605	613	614	589
Russia	821	916	879	985	1,058	1,094	1,126
Italy	484	448	445	499	518	524	533
Czechoslovakia..	217	286	294	252	251	244	244
Belgium	190	184	200	224	245	207	239
Spain	179	200	205	208	211	193	208
Poland	52	145	195	165	146	105	118
Switzerland	174	56	58	58	53	52	52
Holland	64	83	91	92	94	96	103
Austria	79	82	85	79	76	73	63
Other countries	122	110	143	124	114	153	154
Total Europe ...	5,125	5,437	5,525	5,435	5,343	5,369	5,520
India	1,262	1,339	1,148	886	979	1,018	1,164
Japan	1,443	1,408	1,322	1,219	1,341	1,425	1,544
China	1,000	920	769	1,247	944	1,013	1,093
Total Asia	3,705	3,667	3,239	3,352	3,264	3,456	3,801
United States ..	2,403	3,732	3,590	3,180	3,418	3,615	3,289
Canada	91	110	95	103	106	122	100
Mexico	103	81	102	87	83	81	126
Brazil	189	255	295	257	251	221	234
Total America ..	3,785	4,178	4,082	3,627	3,858	4,039	3,749
Sundries	114	130	141	139	203	150	132
Total world ..	12,729	13,412	12,987	12,553	12,868	13,014	13,202

Compiled from reports of the International Federation of Master Cotton Spinners' and Manufacturers' Associations.

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UNITED STATES DEPARTMENT OF AGRICULTURE
Bureau of Agricultural Economics
Washington

F.S.
C-58

May 16, 1930

WORLD NEWS ON COTTON

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SUMMARY

The price of all important growths of cotton has improved both in the futures and the spot markets since March 10 when the low point was reached. However, the high point during this period was reached about April 3, and since that time about half of the gain has been lost except for May and July futures in the American markets. This unusual strength in May and July contracts in the American markets, particularly New York, has brought about abnormal parities between markets and between the near and the distant futures months. On May 2 the price of New York May contracts closed only 0.02 cents below May contracts in Liverpool and the price of July contracts in New York closed 0.20 cents above Liverpool.

The total visible supply of cotton on May 2 as given by the Commercial and Financial Chronicle was 606,360 bales larger than a year ago. A little less than half of this was American cotton. There were 702,234 bales more in the United States port and interior stocks than a year ago. The Chronicle also reports the exports of American cotton for the season up through May 2 at 1,034,764 bales less than last year, but the exports of foreign cottons have increased.

Domestic consumption has been below last year and current trade reports indicate that seasonal curtailment is taking place. Reports from Great Britain indicate continued curtailment and restricted sales of yarn and cloth. Western Europe has maintained a very satisfactory rate of consumption during March and early April but conditions have continued

unfavorable in Central Europe and some slowing down is reported in Italy. The usual seasonal revival for the Continent as a whole has been moderate. France is an outstanding exception with a good spring and summer demand expected. Japanese mills are finding it hard to make profits because of higher Indian tariff, the fall in the value of silver, general world depression, and strikes caused by attempts to reduce wages. In China the conflict between North China and the Nanking Government makes the outlook for the textile industry uncertain. So far, the demands have been fairly good and the situation, especially in the Japanese sections, is favorable.

PRICES

Spot cotton

American cotton prices strengthened considerably after the low point of March, but since early April have weakened somewhat. The New York market has been strongest but New Orleans has been stronger than other spot markets. The strength of New York has been due apparently to the strength of May and July contracts and preparations for making deliveries on contracts. On May 2 New York spots were quoted at 16.60 cents per pound, which was 2.60 cents above the low point of March 10 and 0.20 cents below the recent high on April 3. New Orleans was 15.90 cents per pound on May 2 or 2.11 cents higher than on March 10 but .38 cents lower than on April 3. The average of the 10 markets on May 2 was 15.32 cents per pound or 1.65 cents above March 10, and .60 cents below April 3.

The quality of the American crop is somewhat lower this year than last according to the grade and staple estimate of the Bureau of Agricultural Economics of April 18. There is considerably less cotton grading middling or above this year than last and more grading below middling. This is reflected in the grade differences, the differences for good middling and strict middling being considerably greater than last year. There is considerably more 13/16 inch cotton this year than last and the discounts for 13/16 are comparatively wider than a year ago.

The market for Egyptian, both Sakellarides and Uppers has been stronger than for most other important growths during the past four months. Three things that are considered as contributing to this strength: (1) the Egyptian Government has been giving considerable support to the market and has taken a large amount of the cotton off the market; (2) there has been an increased demand from the United States due to the anticipation of the 7 cent tariff

and (3) anxiety has developed regarding the invasion of the locust, though the locust seems to be pretty well under control at the present time. There has been some nervousness recently in the market, however, because of rumors that the Egyptian Government will probably sell all of the cotton held before the coming of the new crop.

The market for Indian cotton has shown even greater weakness than the market for American since January and although there has been some recovery from the low point in early March it has not been as marked as the improvement in other growths. The reports from Bremen state that the price of Indian cotton has now reached the lowest level relative to American of any time in recent years. Recent unfavorable developments in the Japanese situation have probably been a factor in this weakness.

Futures

Although the general movement of the futures markets has been somewhat similar to that of the spot markets a considerable difference has developed between the near and distant futures. From the first part of March to the first part of April there was a gain of from 1 cent to 2 cents, with the old crop months considerably stronger than the later months. Then by the first of May more than half of this gain had been lost except in the May and July contracts. These have shown unusual strength, especially in the American markets. It may be noted that during the third week in March, May and July showed unusual strength in comparison to October both in New York and Liverpool and until the last week in April, Liverpool moved somewhat in line with New York except May and July Liverpool did not have as much strength as May and July New York. Since the third week in April, New York May and July have been moving upward while Liverpool May and July have moved downward. On May 2 New York May closed 0.02 cents below Liverpool May and New York July closed 0.20 cents above Liverpool July. New York October on May 2, however, closed 1.04 cents below Liverpool October, showing that the comparative strength in New York is confined to the near month contracts.

STOCKS AND MOVEMENT

World's visible supply

According to the Commercial and Financial Chronicle the world's visible supply of cotton for Friday night May 2, with comparisons for same date 1929, is as follows:

American cotton

	1929	1930
	Running bales	Running bales
Great Britain stocks	727,000	422,000
Continental stocks	762,000	802,000
American afloat for Europe	283,000	160,000
United States port stocks	1/ 1,334,086	1/ 1,650,171
United States interior stocks . . .	1/ 564,846	1/ 940,995
United States exports today (Friday)	8,874	---
Total American	3,679,806	3,975,166

East Indian, Brazil, etc.

	1929	1930
Great Britain stocks	349,000	498,000
Continental stocks	66,000	106,000
Indian afloat for Europe	141,000	142,000
Egypt, Brazil, etc. afloat	99,000	89,000
Stocks in Bombay, India	1,329,000	1,331,000
Stocks in Alexandria, Egypt	389,000	518,000
Total East Indian, Brazil etc.	2,373,000	2,684,000
Total American	3,679,806	3,975,166
Total visible supply	6,052,806	6,659,166

1/ Includes Houston stocks.

It is important to note that while the total visible supply of all growths is estimated at 606,360 bales more than last year the amount of this increase that is American is 295,360 bales, and that of foreign, 311,000. Another very important situation is the large amount of the total visible supply of American cotton that is still in the United States. There are 702,234 more bales in the United States port and interior stocks this year than last.

Exports of American cotton during April amounted to 349,762 bales, which was 127,916 bales less than March and 98,076 bales less than for April 1929, according to the Department of Commerce. The exports for the nine months ending April 30, amounted to 6,120,526 bales or 1,073,416 bales less than the corresponding period a year ago. Exports to Great Britain for the nine months are 563,162 bales less than last year. Exports to all other countries are below a year ago except France and Italy which are a little larger than last year.

According to the Chronicle the total exports from all India ports for the season up through May 1 record an increase over last year of 125,000 bales of which 54,000 bales were exports to Great Britain. The exports from Alexandria, however, for the season through April 30 as compared with last year have decreased 113,707 bales according to the figures given by the Chronicle.

The following table indicates that since January the American mill takings have been very much below a year ago and that the stocks at ports and interior towns are considerably above last year. Port receipts since September have been smaller this year than last and cotton coming into sight has been below last year for every month since October. American mill takings, however, are indicated to have been increasing during the past 3 months.

COTTON: Movement in the United States, reported by the New Orleans Cotton Exchange, 1928-29 and 1929-30

Month	In sight		Port receipts		Overland		American mill takings		Stocks at port and interior towns at end of month	
	1928-29	1929-30	1928-29	1929-30	1928-29	1929-30	1928-29	1929-30	1928-29	1929-30
	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales
Aug.	508.6	823.4	273.8	462.4	34.3	72.8	398.8	461.1	802.2	908.3
Sept.	2,026.5	2,430.7	1,309.7	1,339.7	29.9	94.1	437.9	529.1	1,782.8	2,148.5
Oct.	3,927.5	4,183.8	2,510.0	2,393.0	163.2	196.0	901.3	1,041.1	3,525.2	4,154.6
Nov.	2,901.7	2,681.9	1,676.0	1,529.6	175.3	168.2	1,106.9	1,144.2	4,011.3	4,583.9
Dec.	2,342.8	2,104.8	1/	1,157.1	1/	155.1	1/	1,015.3	1/	4,673.9
Jan.	1,112.3	840.3	791.2	534.6	211.0	159.8	721.5	577.7	3,655.9	4,277.0
Feb.	631.2	417.0	447.4	304.7	163.5	93.3	538.0	360.9	3,145.5	3,884.9
Mar.	736.0	465.8	434.2	240.7	156.9	92.1	654.2	531.3	2,714.1	3,350.7
Apr.	555.4	456.8	271.7	225.7	119.1	70.7	645.3	583.5	2,145.0	2,870.7

1/ The figures for December 1928 missing.

TEXTILE SITUATION

United States

Consumption of cotton in the United States during April, according to the Bureau of the Census was 532,382 running bales or 23,806 bales increase over March and 99,420 bales less than April last year. The consumption for the nine months ending April 30 was 4,855,999 running bales or 449,837 bales less than for the same period last year.

Activity in the cotton textile industry of the United States has been less this year than last, as indicated in the following table. Although sales have been less than last year, it is significant that production has also been curtailed so that excessive stocks have been avoided. Sales during April were considerably above April last year though there was a significant drop from March. The ratio of sales to production in April was also better than a year ago but not as good as March. Unfilled orders were also low.

Cotton textile statistics

Month	Production	Sales	Ratio of sales to production	Shipments	Ratio of shipments to production	Stocks at end of month	Unfilled orders end of month
	1,000 yards	1,000 yards	Per cent	1,000 yards	Per cent	1,000 yards	1,000 yards
Jan. 1930	323,287	292,034	90.3	331,481	102.5	452,819	391,571
Feb. 1930	256,849	243,861	91.4	274,543	102.9	445,125	360,889
Mar. 1930	261,403	292,249	111.3	265,675	101.6	440,853	387,463
First quarter 1930	851,539	828,144	97.8	871,699	102.5	446,266	379,974
First quarter 1929	933,673	1,016,120	110.0	980,105	105.1	569,152	472,546
Apr. 1929	283,878	202,520	71.3	277,098	97.6	558,091	430,298
Apr. 1930	257,243	223,225	86.8	253,360	98.5	444,736	357,328

Compiled from reports of the Association of Cotton Textile Merchants of New York.

Great Britain

There was a slight improvement in the British cotton trade during the latter part of March which was due to a fairly good demand for cloth and yarn. The month as a whole, was about the same as February. The exports of yarn and piece goods continue low. Although exports of yarns for March increased 500,000 pounds there was a decrease of 13,200,000 square yards in the export of piece goods. The cables received during April indicate that since the first few days in April there has been some slowing down in the cotton trade and that mill curtailment is still considerable.

Continental Europe 1/

March and early April have brought few indications of improvement in Continental demand for American raw cotton. Western European cotton textile centers maintained their very satisfactory rate of consumption, but conditions remained unfavorable in Central Europe and some recession is reported from Italy. The pick-up needed in Central Europe is apparently being hampered by adverse business conditions and continued uncertainty about the raw material market.

1/ Based on report dated April 19 from Agricultural Commissioner L. V. Steere at Berlin, supplemented by cable of April 30.

The seasonal spring revival in new business during March and early April varied greatly in different countries but appears moderate for the Continent as a whole. France is an outstanding exception with improved bookings for yarn, continued good inquiry for cloth by converters and a generally increased interest for cotton goods in recent weeks on the part of the wholesale trade. A good spring and summer demand is expected in France. Yarn sales have continued unsatisfactory in Central Europe, however, and have further declined in Italy, with margins a subject of general complaint largely as a result of the advance in raw material prices. New business in fabrics, outside of France, still leaves much to be desired with bookings showing a declining tendency in Italy. Central European mills have had some improvement in inquiry for colored cloths, but sales of grey goods have been persistently disappointing. The wholesale distributing trade in parts of Central Europe, however, has recently shown increased buying interest, interpreted as the beginning of spring and summer ordering, though converter's and finisher's stocks have been sufficient to care for this revival in trade demand without reflection, as yet, in increased new orders for weaving establishments. If this inquiry continues, it will, of course, sooner or later be passed along to the manufacturing branches, as the goods stock situation is reported generally sound.

Spinning and weaving mill activity showed no material change on the Continent as a whole during March, though operations probably averaged slightly below February levels as a result of some declines in Italy and parts of Central Europe. French mills maintained the high levels of previous active months.

Spinner demand for cotton has varied greatly over the Continent during March and early April. Generally speaking, Western European spinners bought little during early March when Central Europe was exhibiting interest in both purchases and price-fixing, but purchased very heavily late in March and early April when Central Europe was slackening off. Italy, on the other hand, has been a reserved buyer during this period. "Exotic" cottons have found considerable interest at times in recent weeks.

After picking up during the four weeks ending March 14, 1930, continental spinner takings of American cotton have again given way to a considerable decline with takings during the four weeks to April 11 falling as much as 15 to 25 per cent below those of one and two years ago, respectively.

Spinner interest has centered extensively around 15/16" cotton, this length has, therefore, risen proportionally more than the longer staples. Only in the case of strict low middling 1 1/16", which is scarce, has the "basis" shown a greater increase than for the short staples of the same grade.

Germany

Despite the recovery in raw cotton prices, the German cotton textile situation has remained unsatisfactory during March and the first half of April, with bookings of new orders small and mill activity substantially unchanged. The unfavorable economic conditions prevailing in Germany, and the uncertainty in raw cotton prices which still exists, make the distributing trade and cotton goods finishers and converters most reluctant to commit themselves in any important way. It is evident that more substantial grounds for confidence must appear before a strong revival in demand for cotton goods can be expected, although recently there has been an increase in spinners and weavers sales in Western Germany.

Spinners report that orders were largely of short-term character during March and early April, with the volume of new business placed averaging even below the level of months immediately preceding. A further cause for dissatisfaction has been the recent narrowing of margins, spinners finding themselves unable to advance yarn prices in proportion to the rise in raw material. These developments in spinner business, therefore, have brought no improvement in spinning mill activity during March as compared with January and February levels and individual establishments in Western Germany have had to reduce output.

GERMANY: Indexes of cotton spinning activity (Yarn production per spindle in percentage of monthly average July 1924 - June 1926)

Month	1926-27	1927-28	1928-29	1929-30
	Per cent	Per cent	Per cent	Per cent
Aug.	85	119	101	94
Nov.	112	125	110	106
Dec.	117	120	102	109
Jan.	115	123	107	108
May	123	113	90	

The weaving section also reports quiet business during March and early April, with bookings for the most part confined to short-term supplementary orders. There has been increased interest for colored cloths in spring and summer goods, but grey goods mills report persistently unsatisfactory conditions. Weavers complain generally as to margins, with particularly keen competition from the foreign countries reported in fine cloths. Weaving mill activity during March is estimated to be about the same as in February.

The German cotton wholesale and retail distributing trade continues to report moderate stocks of goods on hand, and distributors experienced some pick up in sales during March. This increased interest is largely of a seasonal character, i.e., spring goods, but if the rate of sales should be maintained and improved it appears that distributors should be able to place a respectable volume of new orders with converters and finishers in coming weeks. However, financial conditions in the textile trade remain difficult and uncertain, with the number of failures and receiverships in March on a level with those in February, which means about twice as high as a year ago.

GERMANY: Cotton weaving mill activity 1/

Month	1925-26	1926-27	1927-28	1928-29	1929-30
	Per cent	Per cent	Per cent	Per cent	Per cent
Aug.	---	74	93	86	66
Nov.	---	85	93	85	76
Jan.	89	87	93	71	72
May	77	94	90	61	

1/ Up to December 1928, active looms in percentage of total number of looms in place; since January 1929, activity in percentage of 54 hours week (single shift) capacity.

German spinner demand for raw cotton at Bremen was of rather good volume during March, though declining considerably at the end of the month. The volume of price fixing was also extensive for a period of about 15 days in the middle of March. Since April 1, both buying and price-fixing have been limited. Spot business at Bremen and c.i.f. import purchases by the merchants, however, have not been particularly important during March and the first half of April taken as a whole.

Arrivals of raw cotton in Bremen from August 1, 1929, to April 19, 1930, were 1,590,000 bales as compared with 1,698,000 bales during the same period a year ago. Exports for the corresponding periods have amounted to 1,385,000 bales and 1,583,000 bales respectively. Stocks of raw cotton at Bremen on April 19, amounted to 462,000 bales as compared with 489,000 bales last year and 471,000 two years ago.

Czechoslovakia

Reports from Czechoslovakian cotton textile mills are still unfavorable, with some further curtailment of production in both the spinning and weaving branches during February and March. The development of new business also leaves much to be desired. Financial conditions in the distributing trade are unimproved, with a considerable number of failures still preventing the development of any appreciable optimism for the future. Both spinners and weavers have failed to benefit from the rise in raw cotton prices during March and early April.

CZECHOSLOVAKIA: Activity of cotton spinning mills
(In percentage of single shift capacity)

Month	1926-27	1927-28	1928-29	1929-30
	Per cent	Per cent	Per cent	Per cent
Aug.	63	107	87	89
Oct.	80	114	98	89
Jan.	98	110	101	94

Austria

The position of the Austrian cotton textile industry has been altered but little by developments during March, although it appears that the conditions are not quite so unpromising as heretofore. The wholesale and retail turnover of cotton textiles has recently shown a marked improvement, particularly in knitted goods, although the existence of some stocks of such goods has prevented the reflection of this better demand in increased business for the mills. It does, however, lend better color to future prospects, although the export outlook has been darkened by the possibility of retaliatory tariff measures by southeastern European countries because of increased agricultural duties being projected by Austria.

The latest figures on cotton mill activity in Austria are for the month of January, when some improvement over December figures was registered. Our reports indicate that some decline in the operations of both spinning and weaving establishments has occurred since January with new bookings by manufacturers generally limited during this period.

AUSTRIA: Cotton yarn production
(In percentage of "full capacity")

Month	1926-27	1927-28	1928-29	1929-30
	Per cent	Per cent	Per cent	Per cent
Aug.	57	90	76	73
Oct.	65	85	79	76
Dec.	75	82	80	78
Jan.	75	83	82	81
Feb.	79	81	83	73

Hungary

Very good business through March and early April is again reported by the Hungarian cotton textile industry. New business booked by both spinners and weavers has been considerable and the mills are generally well occupied. Less favorable conditions exist in the wholesale and retail distributing trade where numerous failures continue to occur.

France

A generally high level of occupation in the mills and a good current of new business for both spinning and weaving establishments is indicated by reports from the French cotton textile industry extending well into April. Orders now on hand and prospects for the future development of business are sufficient to assure heavy consumption of cotton by French mills for some months to come.

Reports from the spinning branch indicate particular improvement in yarn sales at Normandy centers as a result of the advance in prices of raw material, with revival of a somewhat quieter character experienced at Roubaix and Tourcoing. Mills in the latter district are reported as having accumulated rather large stocks of coarse count yarns, but all the important establishments have been favored by increased purchases from cloth mills, and spinning activity is being maintained at high levels.

French weaving establishments have also benefited from the increase in raw cotton prices, with reports indicating a generally satisfactory flow of new business during March and early April. The wholesale distributing trade at Paris has had a very encouraging pick-up in sales since the development of spring weather, and this has been passed on quickly to the mills where the level of operating activity was already high. Export business in fabrics is calm.

All reports point to extensive buying of raw cotton since the middle of March by French spinners with large commitments both for spot and forward delivery. Some spinners are stated to have committed themselves even beyond requirements for the calendar year 1931, a development similar to that which took place in Germany and some other parts of Europe in 1926, when prices reached their abnormally low level. Price fixing by French spinners has also been large during the past month.

The following data have been published by the Syndicat General de l'Industrie Cotonniere at Paris as of the end of 1929.

Of the 55 per cent of all French spindles which reported to the Syndicat, more than 95 per cent were active. The average yarn production per spindle during the month of December was 4,546 pounds. At the end of December unfilled orders amounted to 17,094 pounds per spindle, which means the assurance of full capacity occupation for more than three months ahead. These figures are very favorable. Of the 30 per cent of all French looms reporting to the Syndicat, about 89 per cent were active at the end of December 1929. The average December production per loom was 591 yards, unfilled orders at the end of December amounted to 2,551 yards per loom. The latter figure is equal to a production of no less than 19 weeks, a figure reached heretofore only in times of greatest prosperity in the French cotton weaving section.

Italy

The optimism evident in Italian cotton reports a month ago has not been borne out by subsequent developments. The recent tendency of actual production and new business, as well as current reports on the outlook in the near future, are distinctly less favorable.

New orders for yarn and cloth booked by the mills have been at an unsatisfactory rate, with commitments for yarn considerably below the current level of mill output as well as below levels of a year ago. Yarn stocks have therefore risen and are above figures for the same time last year, while unfilled orders on the books have fallen below last year's position. Mill activity has been tending to decline and is expected to recede farther in the immediate future because of the order situation. While prospects in Italy are therefore less favorable, it should be noted that occupation is still high, with spinning mills working at 93.4 per cent of capacity at the beginning of February in comparison with 95.5 per cent at the end of December, and 95.9 per cent at the beginning of February a year ago. Weaving mill activity also remains good, though less so than in the case of spinning mills.

ITALY: Cotton spinning mill activity
(In percentage of "full capacity")

Month	1928	1929	1930
	Per cent	Per cent	Per cent
Jan.	---	96	93
May	95	96	
Sept.	93	94	
Nov.	96	---	
Dec.	97	96	

ITALY: Cotton weaving mill activity
(In percentage of "full capacity")

Month	1928	1929	1930
	Per cent	Per cent	Per cent
Jan.	---	92	89
May	89	92	
Sept.	87	90	
Nov.	91	---	
Dec.	92	91	

Poland

The Polish cotton industry continued to meet with difficult conditions throughout March, but there are indications that progress is being made toward readjustment to a sounder basis. The spinners' trust, which now includes 91 per cent of all spindles in Poland, has brought about a reduction of working hours and stocks of yarn are being reduced, the reduction in March alone amounting to 15 per cent. Imports of cotton, cotton yarn and finished goods in recent months have been heavily reduced as compared with figures of a year ago, and exports of yarn are running larger than last year, so that the trade sees prospects of stock difficulties being entirely cleared up in another two or three months provided output and imports are held at present levels.

Early April reports, furthermore, indicate some revival of wholesale business in Lodz as a result of the approaching spring and summer inquiry. Whether this will develop into improved business for the mills in the near future remains to be seen, as financial conditions in the industry are still bad, both in the manufacturing and distributing branches. Little benefit has as yet accrued from easier world money market conditions, and there are evidently burdensome stocks still on hand. A late report also complains of cheap offers of Russian fabrics on the Lodz market.

Generally speaking, if the spinners' syndicate can reach its goal of a membership of 95 per cent of all spindles and can hold this membership in line, there seems to be reasonable prospect of a good revival in demand for raw cotton in the next few months.

Balkan States

The pronounced tendency toward economic nationalism, self-sufficiency and protectionism engendered by the breaking up and re-alignment of national boundaries in southeastern Europe after the war has led to considerable expansion of the cotton industries in these countries. Cotton textiles are still a small industry but are growing steadily, in fact, progress is in some ways surprising. Hungary has probably made more advance than any of the other countries, but Rumania and Yugoslavia are following in the same direction. The expansion in Hungary is shown by the following figures:

Year	Spindles	Looms
1921 .... approx.	50,000	4,000
1930	176,000	15,000

Expansion in cotton manufacture in the Balkan States is favored by a number of factors, the all-important matter of tariff protection, cheap labor and central location within rather large domestic markets. The training of the labor required for a textile industry is always a problem in a new country, but once a mill is established under conditions affording a reasonably

stable outlet for its product, the labor problem usually clears up gradually, and this is taking place in these countries. As a matter of fact, reports from the Balkan States indicate that the local cotton mills are in good shape and working full time, contrary to difficulties in the neighboring countries such as Austria and Czechoslovakia, which supply an important part of these countries requirements and are heavily dependent upon them as market outlets.

The current depression in Austria, Czechoslovakia and to some extent in such other countries as Italy, Germany and Poland is probably due in part to the expansion of cotton manufacture in southeastern Europe whose production, while still very small, is sufficient to take the edge off of demand for countries competing in these markets.

The tendency toward expansion of the cotton industries in southeastern Europe, however, is not entirely as serious a matter for Central Europe as it might seem at first thought, as it represents to a considerable extent the transfer of mills from Austria and Czechoslovakia, where it has not been possible for them to maintain occupation under existing conditions. This movement, therefore, is a healthy readjustment to the new national boundaries, and is being encouraged by the Governments of the Balkan countries. Yugoslavia, for example, permits duty free importation of complete mill equipment and relief in matters of taxation is also being granted to new factories. Croatia is developing into the textile district of Yugoslavia because of favorable conditions with respect to power supply and an industrious, intelligent population from which the necessary labor can be secured.

Russia

Reports on the development of the Russian cotton textile industry during the first half of 1929-30 now indicate that production of cotton yarn was 4 to 5 per cent below the plan, but 8.9 per cent above that of the first half of the previous year. Production of finished goods was near the planned level and 12.6 per cent above output in the corresponding period the year before.

Commodity	Unit	1928-29 Oct.-Mar.	1929-30 Oct.-Mar.
Cotton yarn	tons	173,508	188,905
Finished fabrics	yards	1,521,388	1,713,090

The export of Russian sewing thread mentioned in last month's report is now said to be destined not only to Germany but to all Central European countries. The quality of the thread is reported to compare very favorably with that of competitive threads from other sources. The possibility of exports of other Russian textile goods such as linings, etc., has also been mentioned in the German press, but no definite information is as yet available, though Polish textile circles are much annoyed by the recent offers of a considerable lot of Russian cotton goods at Lodz at a price greatly below costs of production in Poland.

Japan

Because of the higher Indian tariff on cotton piece goods, the fall in the value of silver, and the general trade depression throughout the world, Japanese cotton mills are experiencing difficulties in making usual profits and are therefore trying to reduce wages of employees, according to cabled information from Consul Dickover at Kobe. Kanegafuchi, one of the largest and best managed of cotton spinning companies reduced average wages by about 23 per cent and employees of some of their mills are now striking. Indications are that the strike will be short lived and employees will be compelled to accept wage reductions.

The production of yarn for March was 219,000 bales, a decrease of 15,000 bales from February, due to curtailment. Cloth production was slightly below February but exports were 170,000,000 square yards over February due to rushing stock to India before the higher tariff rates take effect. Because of Indian tariff rates and other adverse circumstances, mills fear severe decrease of exports of yarn and cloth. As a result the Japanese Government has arranged a rebate of 20 per cent of railway freight charges on cotton goods exported and has induced subsidized steamship companies to reduce freight rates by about 10 per cent. Imports of American cotton for March amounted to 123,451 bales. Imports of American cotton since the beginning of the cotton year amounted to 750,000 bales compared to 1,000,000 bales for the same period last year.

China

A cable received from Agricultural Commissioner Nyhus, stationed at Shanghai, states that the possibility of renewed conflict between North China and the Nanking Government is a serious factor in the condition and prospects for the cotton textile industry of Shanghai. Railway lines to North China have been broken and Yangtze River shipping is menaced by plans of the North to gain control of Hankow.

Arrivals of Indian cotton are large and mills are buying local cotton too cautiously to give much strength to the native cotton markets.

Deliveries of yarn are fairly good but forward buying is very conservative and there is a tendency for stocks to accumulate in Chinese mills.

The Japanese section of the local industry is in much better condition than the Chinese section. There is a better demand for the Japanese brands and mills are sold out two and three months forward. They have been buyers and consumers of American cotton and conditions indicate that they will continue so for the balance of the season. Native Lingpoa cotton which can be substituted for American cotton has hardly appeared on the Shanghai market this season. A rather unusual occurrence was the arrival in Shanghai this season of about 20,000 bales of staple cotton grown from American seed in Shantung and Chihli Provinces. This cotton can be used for spinning for

twenty-four count yarn. On April 22 at Harkow, standard cotton for May delivery was quoted at 12.68 cents per pound and American middling 7/8 inch, c. i. f., for April shipment 17.73 cents per pound. This difference of 5.05 cents compares with a difference of 4.6 cents on March 21 and a difference of 7.25 cents last October. Standard sixteen count yarn for May delivery is quoted at 71.16 dollars per bale.

MISCELLANEOUS NEWS ON COTTON

A bill, H. R. 10173, by Representative Buchanan of Texas, to authorize the Secretary of Agriculture to conduct investigations of cotton ginnings, has been signed by the President.

A bill, H. R. 12165, by Representative Buchanan of Texas, to improve the spinning quality of cotton grown in the United States, to study land utilization, and to secure the correlation and the most economical conduct of cotton and other researches, has been referred to the Committee on Agriculture.

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UNITED STATES DEPARTMENT OF AGRICULTURE
Bureau of Agricultural Economics
Washington

June 19, 1930

C-59

WORLD COTTON PROSPECTS 1/

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SUMMARY

During May and early June there was a general downward trend in cotton markets both in America and abroad. From May 2 to June 6 American upland spot cotton declined 73 to 90 points in the United States and 53 American points in Liverpool. Other important growths at Liverpool declined 51 to 223 points with the greatest drop in Sakellaridis. The American futures markets during this period dropped 35 to 75 points with July contracts showing the greatest weakness.

The world visible supply was about 1.2 million bales higher than a year ago on June 6, about two-thirds of this increase being in stocks of American cotton. The decrease in the visible supply from May 2 to June 6 was about four-tenths as great this year as last. Exports from the United States for this period were 133,000 bales lower than last year, and for the season to June 6 were 1,239,000 bales lower.

The domestic textile industry continued its curtailment through May, with consumption of raw cotton about 58,000 bales below April and 195,000 bales below May last year. Cotton goods markets are reported quiet and exports of cotton cloth in the first four months of this year were 75 million square yards, or one-third below last year. Curtailment in Great Britain is continuing and sales remain below output. The situation in Continental Europe continues unfavorable except in France where both sales and mill operation

1/ Prior to this issue this series had the title Foreign News on Cotton. The last issue under the old title was F.S. dated May 16, 1930.
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are very satisfactory. Japanese mills are contemplating a further restriction of output to offset the decrease in cloth exports caused by the higher Indian tariff and the low value of silver. The renewal of civil strife in China has slowed up the market for yarn and the stocks at mills are large and yarn prices have dropped, but mills are maintaining their level of activity.

World production of cotton for the season 1929-30 is now estimated at 26,200,000 bales of 478 pounds net with the United States crop at 57 per cent of the total. The Egyptian estimate of production has been revised to 1,725,000 bales of 478 pounds net.

The weather throughout the Cotton Belt in May and early June was a little unfavorable with the ground rather too dry in the eastern belt and during the last two weeks a little too cool, whereas in the Central and Western sections there have been some excessive rains with the temperature from favorable to slightly too cool. Fertilizer tag sales are reported at about 1 per cent above a year ago during the period December through May.

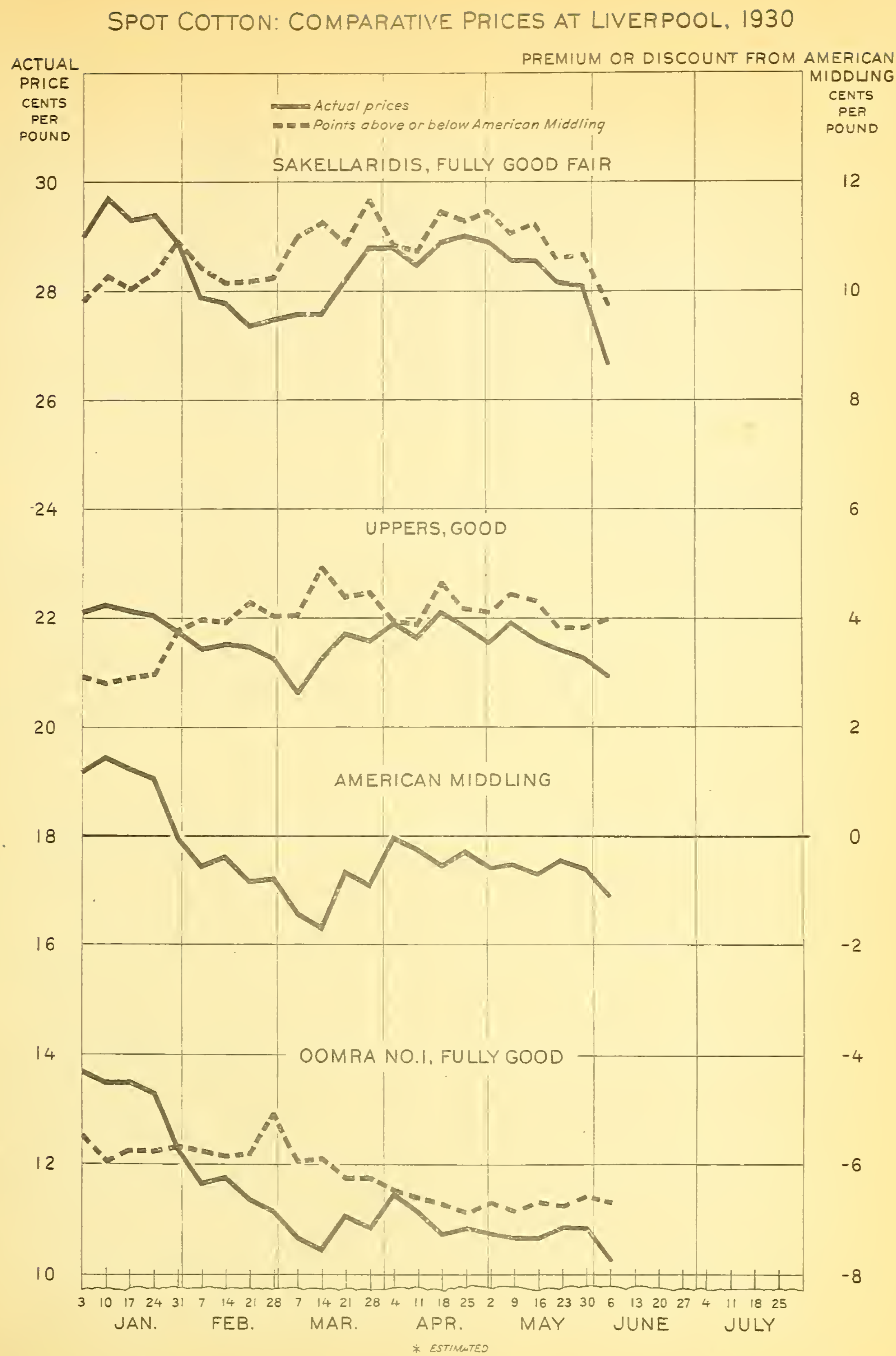
PRICES

Spot cotton

There was a rather steady downward trend in the American markets during the month of May and the first week of June. The average of the ten markets for middling 7/8 inch for June 6 was 14.59 cents or 73 points below the quotation of 15.32 cents on Friday May 2. New Orleans declined 90 points during this period and on June 6 was 15.00 cents. New York middling quotation on June 6 at 15.85 cents was 75 points below the May 2 quotation.

There was little change in the demand for the different grades and staples during May, the demand for all being rather weak.

The trend of prices at Liverpool was also downward during May and early June. Of the more important growths, Egyptians, especially Sakellaridis, showed the greatest weakness. The quotation on fully good fair Sakellaridis on June 6 at the present rate of exchange was 26.66 cents per pound which is 223 points below the quotation of 28.89 cents on May 2. Good Uppers were not



U.S. DEPARTMENT OF AGRICULTURE

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Fig. 1

so weak, declining only 64 points to 20.91 cents. American middling declined 53 points to 16.91 cents, and fully good Oomra No. 1 (Indian cotton) declined 51 points to 10.24 cents. From Figure I it may be noted that in relation to American middling, Sakellaridis is now lower than it has been since January 3. During January, February and March both Sakellaridis and Uppers strengthened considerably in relation to American as was pointed out last month. However, late reports indicate that the condition of the new crop is good, that the Egyptian Government has incurred a very heavy indebtedness in their futures operations, and that the current situation is somewhat strained, all of which account for the weakened market for Egyptian. The price of Indian Oomra, has shown more weakness than American ever since the first of the year, and this accounts in part for the greater relative consumption of Indian cotton than of American.

At Bremen Indian cotton has also become cheaper as compared with American, largely as a result of a relative decline in the lower grades and staples, Oomra and Scind, according to Agricultural Commissioner L. V. Steere stationed at Berlin. This decline is in part seasonal, but nevertheless Indian cotton is now on the lowest level in years in relation to American.

Prices of Egyptian Uppers at Bremen have risen somewhat compared with American and are now relatively higher than a year ago, but much below the relative prices from 1926 to 1928. (L. V. Steere)

Futures

The futures markets showed a little strengthening during the middle of May, but since then there has been an irregular market with a gradual downward trend until the first week in June when there was a rather sharp drop. The Liverpool and American markets dropped 40 to 70 points from May 29 to June 6. The quotations on June 6 were from 35 to 75 points below the quotations on May 2. New York July contract closed June 6 at 15.75 cents or 75 points below May 2 and October old closed at 14.50 cents a decline of 38 points from May 2. Liverpool July declined 50 points from May 2 to 15.80 cents and October declined from 15.92 cents to 15.49 cents or 43 points between these dates. From Figure II it may be seen that the unusual strength in May and July contracts held throughout the period and that the New York market has been considerably stronger than the Liverpool market for both May and July though the relation of New York and Liverpool May options was more nearly normal the last days of trading on this contract. It will be of interest to many to know that about 600,000 bales were delivered on New York May contracts. This was the largest delivery ever made in any one month in the history of the Cotton Exchange. Though New York July is still much stronger than Liverpool July, the New York quotation is no longer above Liverpool. On May 2 New York July was 20 points above Liverpool July and on June 6 Liverpool was 5 points above New York. The relation of October contracts in the New York and Liverpool markets remained fairly steady throughout the month with Liverpool from 75 to 100 points above New York. July contract on the New York market has been from 85 to 198 points above the New York October contract. On May 6 the July contract was 198 points above October and on May 12 only 85 points above, but on June 6 was 125 points above.

Mr. Steere reports that rather unusual developments occurred in the relationship between Bremen and American futures. While Bremen usually sells considerably above America, it has fallen materially below since the middle of March.

Bremen July futures above (+) or below (-) May futures at:

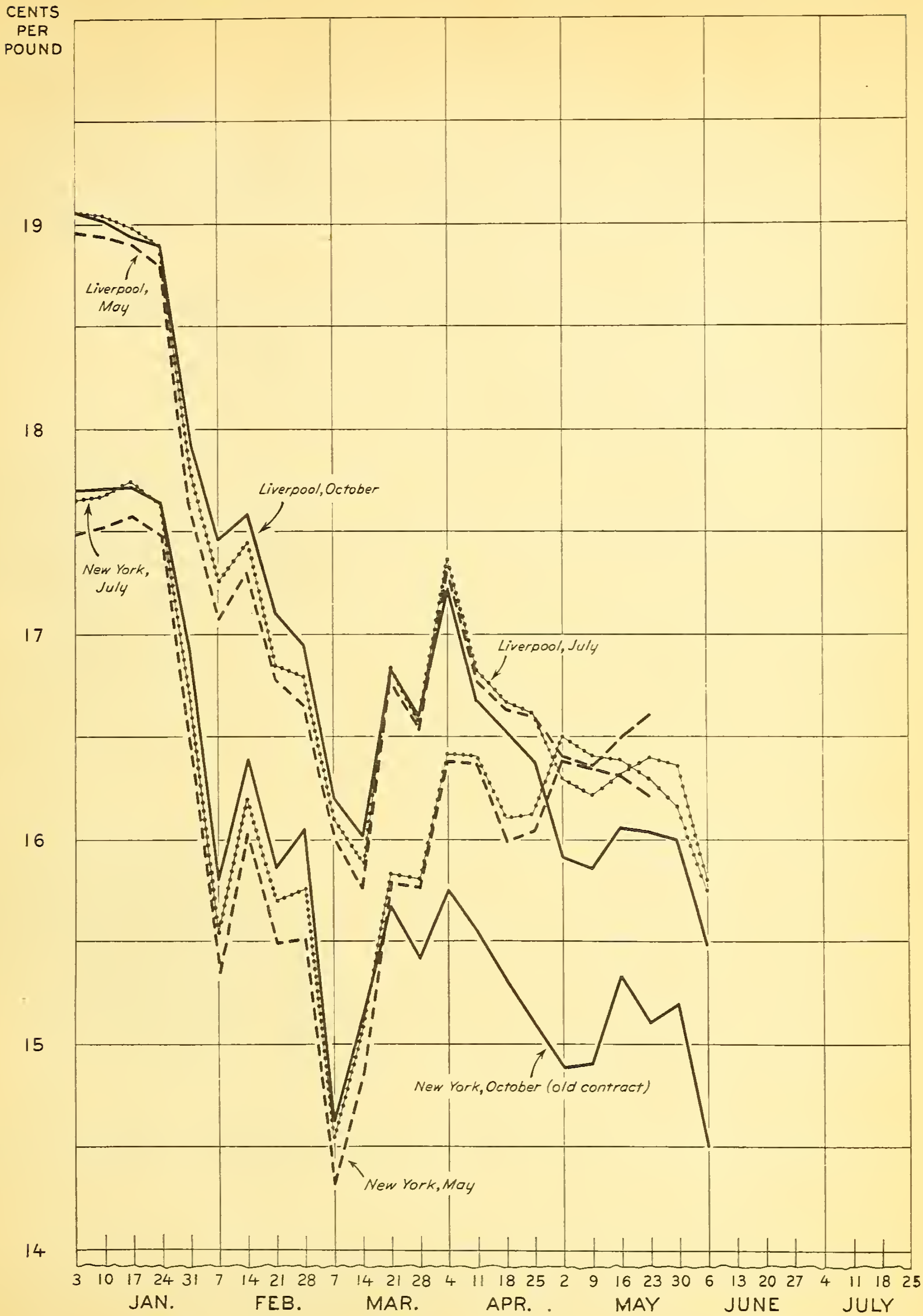
	New York (Points)	New Orleans (Points)
End of Feb.	+ 67	+ 82
Middle of Mar.	+ 79	+100
Middle of Apr.	- 58	- 26
Middle of May	- 62	- 25

This abnormal decline of Bremen compared with America, while partially traceable to abnormally high old crop futures in the United States, is also partly due to the fact that delivery terms in Bremen will be changed effective with October delivery, 1930. According to the new trading rules, July is the last month against which certain lower qualities (fair staple, yellow stained good middling and strict middling) can be tendered. As the stocks at Bremen of fair staple, etc., are relatively large, it is probable that much low quality cotton will be tendered against futures in July. Therefore, everyone has been anxious to get rid of July contracts, which depressed July considerably.

Bremen December futures above (+) or below (-) October futures at:

	New York (Points)	New Orleans (Points)
End of Feb.	+ 99	+ 115
Middle of Mar.	+ 100	+ 117
Middle of Apr.	+ 80	+ 104
Middle of May	+ 91	+ 123

COTTON FUTURES PRICES AT NEW YORK AND LIVERPOOL, MAY, JULY, AND OCTOBER CONTRACTS, FRIDAY CLOSING QUOTATIONS,* 1930



* When the exchanges are closed on Friday the Thursday quotations are used

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Fig. 2

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STOCKS AND MOVEMENT

World visible supply

The Commercial and Financial Chronicle gives the world's visible supply on Friday night June 6, with comparisons for same date in 1929 as follows:

American cotton

Item	1929	1930
	Running bales	Running bales
Great Britain stocks	627,000	360,000
Continental stocks.	607,000	683,000
American afloat for Europe	173,000	91,000
United States port stocks	1/ 1,011,075	1,723,353
United States interior stocks	1/ 381,208	740,002
United States exports today (Friday) .	141	761
Total American	2,799,424	3,598,116

East Indian, Brazil, etc.

Great Britain stocks	393,000	507,000
Continental stocks	81,000	97,000
Indian afloat for Europe	146,000	184,000
Egypt, Brazil, etc. afloat	106,000	82,000
Stocks in Alexandria, Egypt	333,000	521,000
Stocks in Bombay, India	1,178,000	1,256,000
Total East Indian, Brazil, etc.	2,237,000	2,647,000
Total American	2,799,424	3,598,116
Total visible supply	5,036,424	6,245,116

1/ Includes Houston stocks.

The total visible supply is 1,208,692 bales more than a year ago. Of this increase 798,692 bales were American and 410,000 bales foreign. It is significant to note that the total visible supply on June 6 was 6,245,116 bales whereas it was 6,659,166 on May 2, making a decrease for this period of 414,050 bales against a decrease for the corresponding period last year of 1,016,382 bales.

The New Orleans Cotton Exchange reports that American mill takings for May were 251.5 thousand bales below April and 181.0 thousand bales below May last year. (See following Table) Stocks at ports and interior towns at the end of May showed a decrease of 149.7 thousand since the last of April whereas last year there was a decrease of 541.7 thousand bales.

Cotton: Movement in the United States, reported by the New Orleans Cotton Exchange, 1928-29 and 1929-30

Month	In sight		Port receipts		Overland		American mill takings		Stocks at port and interior towns at end of month	
	1928-29	1929-30	1928-29	1929-30	1928-29	1929-30	1928-29	1929-30	1928-29	1929-30
	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales
Aug.	508.6	823.4	273.8	462.4	34.3	72.8	398.8	461.1	802.2	908.3
Sept.	2,026.5	2,450.7	1,309.7	1,339.7	29.9	94.1	437.9	529.1	1,782.8	2,148.5
Oct.	3,927.5	4,183.8	2,510.0	2,393.0	163.2	196.0	901.3	1,041.1	3,525.2	4,154.6
Nov.	2,901.7	2,681.9	1,676.0	1,529.6	175.3	168.2	1,106.9	1,144.2	4,011.3	4,583.9
Dec.	2,342.8	2,104.8	1/	1,157.1	1/	155.1	1/	1,015.3	1/	4,673.9
Jan.	1,112.3	840.3	791.2	534.6	211.0	139.8	721.5	577.7	3,655.9	4,277.0
Feb.	631.2	417.0	447.4	304.7	163.5	93.3	538.0	360.9	3,145.5	3,884.9
Mar.	736.0	465.8	434.2	240.7	156.9	92.1	654.2	531.3	2,714.1	3,350.7
Apr.	555.4	456.8	271.7	225.7	119.1	70.7	645.3	583.5	2,145.0	2,870.7
May	327.7	343.2	159.8	257.4	94.8	56.4	513.0	332.0	1,603.3	2,721.0

1/ The figures for December 1928 missing.

Exports of American cotton

Exports of American cotton continue to be very low. The following Table on exports was taken from the New York Cotton Exchange reports:

Exports of American cotton

Exported to	Aug. 1 - May 2		Aug. 1 - June 6		May 2 - June 6	
	1928-29	1929-30	1928-29	1929-30	1928-29	1929-30
	Running bales	Running bales	Running bales	Running bales	Running bales	Running bales
Great Britain	1,760,481	1,199,096	1,812,668	1,239,316	52,187	40,220
France	755,861	785,859	780,704	810,094	34,943	24,235
Continent, etc.....	3,491,164	3,130,661	3,710,735	3,264,235	219,571	133,574
Mexico	25,082	14,586	25,814	16,840	732	2,254
Japan & China	1,348,487	1,145,354	1,424,194	1,185,017	75,707	39,663
Total	7,381,072	6,275,556	7,754,115	6,515,502	373,043	239,946

The total exports for the season up to June 6 were 1,238,613 bales below the same date last year. The greatest drop was in exports to Great Britain, a decrease of 573,352 bales. Exports to the Continent were 446,500 bales below last year and the exports to Japan and China were 239,177 bales below a year ago. Exports to France were 29,394 bales above last year, but the exports to France for the period May 2 to June 6 were less than the corresponding period a year ago. Total exports from May 2 to June 6 were 239,946 or 133,097 bales below the corresponding period a year ago.

Exports of American cotton during May were 208,796 bales, the lowest for the month since 1923, and 104,207 bales below May last year, according to the Department of Commerce. Exports for the ten months August through May were 6,329,322 bales or 1,177,623 bales below the same period a year ago.

Takings of American compared with other growths

According to Consul Dickover at Kobe, total imports into Japan for the season up through March as reported by the Japan Cotton Merchant's Union of Osaka showed a decrease of 9 per cent as compared with the previous year and the imports of Indian cotton were only 2.5 per cent less while imports of American were 24 per cent less.

Trade Commissioner Elizabeth Humes makes the observation that for the five-year period 1909-1913 imports of American cotton into Italy accounted for 70 per cent of the total, Indian 23 per cent and Egyptian 5 per cent, whereas during 1929, 68 per cent of the total was American, 19 per cent Indian and 10 per cent Egyptian.

A report from Consul Egmont C. von Tresckow at Rotterdam, Netherlands points out that receipts of American cotton during 1929 were 37 per cent less than the previous year, Egyptian cotton remained about the same and receipts of Indian showed a gain of 37.1 per cent and the receipts of all others increased 90 per cent.

Continental spinners' takings 1/

Spinners' takings of American cotton on the Continent reached an unusually low level in May and early June following a steady decline since November. Demand and price fixing in France, however, during the last half of May has improved with the trade purchasing rather large quantities of the new crop. The Easter holidays doubtless helped to reduce the absolute volume of takings, but the rate, nevertheless, was unusually low. Total takings by continental spinners of American cotton from the beginning of the season (August 1) to date are 13 per cent below takings in the same period last season and 19 per cent lower than those in the season before last.

1/ From report dated May 21 from Agricultural Commissioner L. V. Steere at Berlin.

Continental spinners' takings of American cotton during specified periods

Four weeks ending	1927-28	1928-29	1929-30
	1,000 bales 1/	1,000 bales 1/	1,000 bales 1/
Nov. 29	443	424	434
Dec. 27	457	436	415
Jan. 24	465	454	406
Feb. 21	397	361	380
Mar. 21	412	477	364
Apr. 18	376	332	304
May 16	404	337	256

1/ Bales of 478 pounds net.

Takings August to May 16, 1927-28 were 4,332,000 bales; 1928-29, 4,048,000; 1929-30, 3,526,000 bales.

Movement in the United States

The Commercial and Financial Chronicle reports the Southern mill consumption for the season to June 6 at 4,630,000 bales against 5,021,000 bales last year and the Northern mill takings for the season to June 6 at 1,129,270 bales compared to 1,325,694 bales a year ago.

TEXTILE SITUATION

United States

The cotton goods markets have been rather quiet and curtailment in the cotton textile industry has continued through May. The Department of Commerce reports that exports of cotton cloth during the first four months of this year amounted to 145 million square yards valued at 19 million dollars compared with 220 million square yards valued at 31 million dollars for the corresponding period last year. Consumption of raw cotton in the United States during May, according to the Bureau of the Census, was 473,917 bales a decrease of 58,465 bales from April and 194,733 bales below May 1929. This is the lowest consumption for the month of May since 1924.

Activity in the cotton cloth industry, based on the report of the Association of Cotton Textile Merchants of New York, witnessed a further decline during May (see following table). The rate of cloth production during May, when adjusted for the number of weeks, was the lowest recorded, January 1928 being the first month for which comparable records are available. Even though the May report was for five weeks the sales were below any month during this period from January 1928 to date. The ratio of sales to production for May was 66.9 per cent in spite of the low level of production. Unfilled orders decreased 23.9 per cent from April 30 to May 31 and are now lower than at any time during the past 29 months. The total production, sales and shipments of cloth for the first five months this year

are considerably below those of a year ago. Unfilled orders at the end of the month averaged for the first five months about 92 million yards less than last year and stocks have averaged considerably higher this year than last.

Cotton Cloth: Production, sales, shipments, and stocks and unfilled orders at end of month in the United States, January-May, 1929-1930

Month and number of weeks	Production	Sales	Ratio of sales to production	Shipments	Ratio of shipments to production	Stocks at end of month	Unfilled orders end of month
	1,000 yards	1,000 yards	Per cent	1,000 yards	Per cent	1,000 yards	1,000 yards
Jan.1929 (5 weeks)	342,806	317,078	92.5	345,354	100.7	389,195	440,585
Jan.1930 (5 ")	323,287	292,034	90.3	331,481	102.5	452,819	391,571
Feb.1929 (4 ")	292,873	340,709	116.3	309,118	105.5	372,950	472,176
Feb.1930 (4 ")	266,849	243,861	91.4	274,543	102.9	445,125	360,889
Mar.1929 (4 ")	297,994	358,333	120.2	325,633	109.3	345,311	504,876
Mar.1930 (4 ")	261,403	292,249	111.8	265,675	101.6	440,853	387,463
Apr.1929 (4 ")	283,878	202,520	71.3	277,098	97.6	352,091	430,298
Apr.1930 (4 ")	257,243	223,225	86.8	253,360	98.5	444,736	357,328
May 1929 (5 ")	341,370	278,335	81.5	326,121	95.5	367,340	382,512
May 1930 (5 ")	275,801	184,473	66.9	270,056	97.9	450,481	271,745
5 mo.1929 (22 ")	1,558,921	1,496,975	96.0	1,583,324	101.6	1/ 365,377	1/ 445,929
5 mo.1930 (22 ")	1,384,583	1,235,842	89.3	1,395,115	100.8	1/ 446,803	1/ 353,799

Compiled from reports of the Association of Cotton Textile Merchants of New York.
1/ Average.

Great Britain

Cables received during May and the first week in June report the British market for both yarn and cloth as dull. Reports during the later part of the period give the condition as depressed with sales less than output. Exports of yarns and piece goods during May, however, were somewhat above those during April but were lowest for the month since 1926 in the case of piece goods and since 1921 in the case of yarns. Mill curtailment is taking place and some mills are offering their cotton for resale. The situation in India is having a very depressing effect.

Continental Europe 1/

Conditions in the continental cotton textile industry continued to vary greatly during April and May, with the situation on the whole slightly less favorable than in March. French mills maintained their previous highly satisfactory level of operations, though business has been quieter, but in Central Europe mill activity and new business remained unsatisfactory and even declined a little. Italy also indicated no turn from the slower tendency recently prevailing.

1/ Based on report dated May 21 from Agricultural Commissioner L. V. Steere at Berlin, supplemented by cable May 31.

About the only reports of a favorable character during the past May aside from those on heavy consumption of cotton in France, came from the wholesale and retail textile trades, where an increased demand for fabrics is indicated. With trade stocks of goods very moderate, particularly in Central Europe, this is considered a favorable symptom for the future, though mill sales of fabrics have remained very unsatisfactory in Central Europe during May and were quieter in Italy and even in France. The character of business booked by the cloth mills was reflected in corresponding orders placed with spinners, who had very poor sales in the Central European countries, rather unsatisfactory bookings in Italy and a smaller, yet rather important, volume of orders in France.

As a result of disappointing new business in March, mills showed no seasonal pick-up in spinning and weaving activity during April, in fact, a slight decline in operations is thought to have occurred in Central European countries. With France maintaining the high rate of activity of previous months, however, there appeared to be no significant change in the rate of mill activity for the Continent as a whole, though some further decline may occur if recent dull business persists.

Spinner demand for raw cotton has varied considerably in different countries in recent weeks, but taking the Continent as a whole, has been of very moderate character. The purchases of French spinners have been quite satisfactory, a reflection of the good situation of the French industry, but Central European spinners have continued hesitant, buying only for the most immediate requirements. Price fixing has also been of moderate volume, and dealers have shown interest in c.i.f. import business only to the extent of bargain lots. Spot trade has remained small in practically all of the continental markets during the past month.

Germany

The cotton situation in Germany, despite short-lived, scattered betterment, remained unfavorable throughout April and May, with new business very slow and mill activity declining slightly.

Spinners report that demand for yarns became even worse during April, and also that deliveries on old contracts were accepted very slowly. The net result was a further decline in unfilled orders. Prices obtained were still complained of, with reports indicating that cheap foreign offers contributed to the depression of the domestic price level. As a result slight declines in mill activity again occurred, following a decline of 4 per cent from February to March.

Germany: Cotton yarn and cloth prices 1/

Item	Unit	1930 Jan. 15	Feb. 19	Mar. 19	Apr. 2	Apr. 16	May 7	May 21
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Cotton yarn								
No. 20	lb	30	30	29	29	29	29	29
30	"	35	35	34	34	34	34	34
36	"	36	36	35	35	35	34	34
42	"	38	37	36	37	36	36	36
Cretonnes								
88 cm.	yd.	11.25	10.70	10.42	10.52	10.52	10.24	10.24
Renforcés								
88 cm.	"	10.10	9.83	9.65	9.74	9.74	9.46	9.46
Kattune Croisés								
92 cm.	"	8.60	8.32	8.14	8.23	8.23	7.96	7.96

Exchange Reports, Stuttgart.
1/ German prices of the Stuttgart Industry and Trade Exchange.

Germany: Indexes of German cotton yarn production
(Monthly average July 1924-June 1926 = 100) 1/

Month	1925-26	1926-27	1927-28	1928-29	1929-30
Aug.	108	85	119	101	94
Sept.	118	99	126	101	95
Oct.	117	106	122	90	104
Nov.	116	112	125	110	106
Dec.	119	117	120	102	109
Jan.	102	115	123	107	108
Feb.	94	118	125	102	109
Mar.	85	122	121	99	105
Apr.	76	120	116	105	2/ 104
May	69	123	113	90	
June	74	112	102	93	
July	70	118	99	77	
Average	96	112	118	98	

German Institute for Economic Research, Berlin.
1/ Revised figures.
2/ Estimated, subject to revision.

Weavers reported mixed developments. The seasonal improvement of colored cloths fell off, and new orders were generally scarce, particularly for wash goods. Business of the grey goods mills was good during the first half of April, but turned quiet following Easter. April weaving mill activity remained about on March levels, estimated at around 72 per cent.

Germany: Cotton weaving mill activity 1/

Month	1925-26	1926-27	1927-28	1928-29	1929-30
	Per cent	Per cent	Per cent	Per cent	Per cent
Aug.	--	73.9	92.8	85.9	66.2
Sept.	--	77.4	95.4	86.3	69.5
Oct.	--	82.1	93.4	87.2	72.1
Nov.	--	84.7	93.1	85.3	75.6
Dec.	--	86.5	93.3	85.6	2/ 72.8
Jan.	88.6	87.4	93.1	71.3	2/ 71.6
Feb.	85.5	89.3	92.6	71.5	2/ 72.2
Mar.	83.3	91.2	92.3	70.6	2/ 72.0
Apr.	78.7	91.4	91.1	70.8	2/ 72.0
May	77.0	93.5	90.4	61.0	
June	73.3	92.9	88.7	64.3	
July	71.7	92.5	88.3	61.7	

German Institute for Economic Research, Berlin.
1/ Up to December 1928, active looms in percentage of total looms in place; since January 1929, activity in percentage of 9 hours shift capacity.
2/ Estimated, subject to revision.

Imports of cotton yarn for April were 679,000 pounds below March and 922,000 pounds below February. Yarn imports for both March and April were the lowest for the respective months since 1926. Imports of woven cotton materials were also low during April, being 192,000 pounds below March, 287,000 pounds below April last year and below the corresponding month since 1926.

Germany: Imports of cotton yarn and woven materials

Month	Cotton yarn 1/					Woven cotton materials 2/				
	1925-26	1926-27	1927-28	1928-29	1929-30	1925-26	1926-27	1927-28	1928-29	1929-30
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Aug.	--	3,962	14,240	7,046	6,583	--	787	4,277	1,455	1,164
Sept.	--	4,500	13,962	7,286	4,921	--	794	5,355	1,534	1,254
Oct.	--	4,599	13,514	7,842	5,210	--	1,380	5,620	2,015	1,484
Nov.	--	5,657	12,840	8,082	5,600	--	990	5,758	1,728	1,581
Dec.	--	5,617	12,879	6,376	5,410	--	1,063	5,373	1,576	1,358
Jan.	5,772	6,931	13,252	8,027	5,666	3,333	1,594	5,959	2,097	1,371
Feb.	5,154	8,400	11,409	6,303	6,354	2,846	2,943	4,363	1,728	1,530
Mar.	4,899	10,384	10,657	7,147	6,111	1,984	3,671	4,403	1,757	1,660
Apr.	4,140	13,488	10,154	6,327	5,432	1,351	3,995	3,530	1,755	1,468
May	3,554	12,509	8,823	6,259		1,142	4,687	2,650	1,499	
June	4,638	13,294	8,093	5,271		1,142	4,824	2,092	1,534	
July	3,988	12,328	7,502	5,780		787	4,694	2,255	1,356	
Total		101,669	137,325	82,046			31,422	51,635	20,034	

Official Foreign Trade Statistics.
1/ No. 440 - No. 444 of the German Duty Register.
2/ No. 453a- No. 457d2.

Conditions in the wholesale and retail trade were not particularly good during April, and the increase in March sales was maintained only to a limited extent. However, the very moderate size of stocks in converters and distributors hands, as well as easy money conditions are regarded as favorable factors for the future. Financial conditions in the textile trades are still unsatisfactory, with a considerable number of trade failures and individual difficulties of mills still being reported, but the worst is considered past.

Czechoslovakia

Czechoslovakian cotton reports continued unsatisfactory during April and much the same as in March. Unfavorable prices for cotton goods, unsatisfactory new bookings and declining activity of the industry, still make the immediate outlook rather unpromising. However, it may be seen from the following table that while the exports of both yarn and fabrics during the first quarter of 1930 are considerably below the last quarter of 1929 there was some improvement during February and March and exports of yarn since January compare very favorably with a like period a year ago.

Czechoslovakia: Exports of cotton yarn and cotton fabrics

Month	Cotton yarn, unbleached 1/					Cotton fabrics of all kinds 2/				
	1925-26	1926-27	1927-28	1928-29	1929-30	1925-26	1926-27	1927-28	1928-29	1929-30
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Aug.	--	3,252	5,373	3,569	4,198	--	6,903	9,105	7,476	8,342
Sept.	--	3,038	5,262	3,435	3,865	--	7,374	11,087	9,553	8,247
Oct.	--	3,309	4,687	4,261	4,173	--	7,571	9,224	8,655	8,763
Nov.	--	3,576	4,797	3,806	4,462	--	6,971	8,150	6,656	6,997
Dec.	--	3,311	5,165	4,872	5,062	--	6,508	8,437	7,612	7,474
Jan.	2,921	3,624	4,200	4,105	3,926	6,164	6,382	6,508	5,776	5,743
Feb.	2,619	4,850	4,453	3,095	4,200	6,812	7,498	7,127	5,582	5,851
Mar.	2,835	5,604	5,441	4,374	4,883	8,247	8,232	8,638	7,515	6,537
Apr.	2,440	5,736	3,801	4,837	3/	6,076	7,743	6,047	7,829	3/
May	2,286	5,664	3,761	3,560		4,453	6,479	5,787	6,325	
June	2,041	6,345	3,812	4,015		4,747	7,496	5,240	6,173	
July	2,560	5,342	3,351	3,812		5,679	6,552	6,312	6,362	
Total		53,651	53,103	47,831			85,709	91,662	85,514	

Official Foreign Trade Statistics.
1/ No. 501 - 504 of the Czechoslovakian Duty Register.
2/ No. 527 - 577 " " " " "
3/ Estimated to be about the same as March.

January is the last month for which official reports have been received on spinning mill activity, but trade reports for February indicated some decline, while subsequent reports have indicated little change. It is significant to note that throughout most of the season 1929-30 the spinning mill activity has been below similar periods for the two preceding seasons.

Czechoslovakia: Cotton spinning mill activity
(In percentage of single shift capacity)

Month	Basis spindle hours 1926-27	1927-28	1928-29	1929-30	Basis active spindles 1926-27	1927-28	1928-29	1929-30	Activity of active spindles 1926-27	1927-28	1928-29	1929-30
	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent
Aug.	63	107	87	1/ 88	75	94	89	1/ 85	83	114	98	1/104
Sept.	70	115	93	2/ 90	76	95	90	2/ 85	91	121	103	2/106
Oct.	80	114	98	3/ 89	80	95	91	3/ 85	101	120	108	3/104
Nov.	90	111	107	4/ 95	86	96	91	4/ 87	105	116	117	4/110
Dec.	97	111	104	5/ 94	87	96	92	5/ 87	110	116	113	5/109
Jan.	98	110	101	6/ 94	87	96	91	6/ 87	113	115	111	6/108
Feb.	101	109	100	7/ 93	90	95	91	7/ 86	112	115	110	7/107
Mar.	105	108	99	7/ 93	91	94	90	7/ 86	115	114	110	7/107
Apr.	108	105	100	7/ 93	93	93	90	7/ 86	116	112	110	7/107
May	110	100	95		93	95	88		118	105	108	
June	110	95	94		94	90	88		118	105	107	
			(8/ 81				(8/87				(8/93	
July	103	80	(9/89		93	90	(9/87		111	89	(9/102	

Compiled from reports of the German General Textile Association.

1/ August 10 - September 7.
2/ September 8 - October 5.
3/ October 6 - November 2.
4/ November 3 - November 30.
5/ December 2 - December 28.
6/ December 29 - January 25.
7/ Estimated: subject to revision.
8/ June 15 - July 7.
9/ July 14 - August 10.

Austria

Conditions in the Austrian cotton textile industry have remained rather unfavorable since February, the last month for which actual figures on spinning mill occupation are available. However, sales of spinners and weavers have recently shown a slight tendency to improve and the general feeling is now better, largely because of a more promising outlook for general economic developments in the country. The government, in addition, plans increases in the import duties for fabrics in order to develop the weaving branch of the industry, a measure from which the spinning branch will profit in the long run. From the following table it may be seen that the activity in the spinning mills for this season through April has been below both the 1927-28 and the 1928-29 seasons and that the estimates for March and April are below the corresponding months for all years since 1923-24.

Austria: Cotton spinning mill activity
(Percentage of "full capacity") 1/

Month	1922-23	1923-24	1924-25	1925-26	1926-27	1927-28	1928-29	1929-30
	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent
Aug.	--	59	57	76	57	90	76	73
Sept.	--	63	68	79	60	85	75	76
Oct.	--	63	70	83	65	85	79	76
Nov.	--	64	69	91	76	83	74	77
Dec.	--	66	78	87	75	82	80	78
Jan.	55	70	77	81	75	83	82	81
Feb.	57	70	80	85	79	81	83	73
Mar.	59	74	75	79	82	81	84 2/	73
Apr.	59	72	75	75	86	78	84 2/	73
May	58	67	70	67	85	73	80	
June	62	64	76	62	82	76	74	
July	59	66	79	72	87	73	73	

Compiled from reports of the Austrian Institute for Economic Research.
1/ "Full capacity" means about 125 per cent of post-war single shift capacity.
2/ Estimated, subject to revision.

The accompanying table shows considerable improvement in the exports of yarn to Germany during the first four months of 1930 though the total for the season up through May is about 413,000 pounds below the same period last season and much further below the same period in the seasons 1926-27 and 1927-28.

Austria: Exports of cotton yarn to Germany 1/

Month	1925-26	1926-27	1927-28	1928-29	1929-30
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1000 pounds
Aug.		139	551	201	73
Sept.		165	317	176	37
Oct.		132	245	157	29
Nov.		148	240	134	95
Dec.		159	223	214	66
Jan.	664	243	163	101	84
Feb.	494	476	260	88	104
Mar.	331	558	220	73	128
Apr.	331	694	203	106	121
May	243	624	340	84	
June	203	456	243	40	
July	194	355	293	112	
Total		4,149	3,298	1,486	

Compiled from official foreign trade statistics.
1/ Five representative positions, i. e. sections 440 a-e of the German duty register.

Hungary

Conditions in Hungary remain unfavorable. Yarn business during April and the first half of May was rather quiet, following an active period in March, but new sales of fabrics continued very good. The occupation of the mills is very satisfactory and developments in raw cotton prices recently caused spinners to make commitments in raw cotton for some months ahead. The outlook remains promising.

France

April and first half of May reports from the French cotton industry indicate maintenance of previous high levels of spinning and weaving activity, though current business was reported rather quiet and hesitant, owing to uncertainty on the raw cotton market.

New sales of cotton yarn were unsatisfactory at Roubaix-Tourcoing, where an unchanged level of production resulted in a slight increase of yarn stocks in spinners' hands. A sounder situation existed in the Norman yarn market, where business was likewise reduced.

Business in fabrics was calm during the second half of April, but improved at the end of the month and early in May as a result of better wholesaler demand from Paris and western districts of France. Some interest in fabrics has been shown also by the export trade for business with Morocco and Algeria.

Spinner buying of raw cotton proved quite satisfactory throughout the past month with some price-fixing registered.

Italy

The continued depressed condition in the European cotton industry outside of France is also being felt in Italy, where orders are coming in slowly and mill activity tending to slacken somewhat, and sales activity continued to recede through May. The following table indicates that raw cotton consumption is still proceeding at a relatively high rate, however, and improvement is expected as soon as more certainty develops in the raw cotton market. January is the last month for which official figures on mill activity have been received, but reports since then have indicated that there has been a little slackening up with March and April about the same.

Italy: Cotton spinning and weaving mill activity

Month	Spinning mill activity 1/			Weaving mill activity 2/		
	1927-28	1928-29	1929-30	1927-28	1928-29	1929-30
	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent
Aug.	--	90.9	93.1	--	85.6	88.6
Sept.	--	92.7	94.2	--	86.2	89.8
Oct.	--	94.5	95.3	--	87.9	89.8
Nov.	--	95.5	3/ 95.0	--	90.7	3/ 89.5
Dec.	--	96.6	95.5	--	92.3	90.6
Jan.	--	95.9	93.4	--	91.5	89.1
Feb.	93.0	95.8	3/ 93.0	89.3	91.2	3/ 88.8
Mar.	91.8	96.3	3/ 92.5	89.1	91.9	3/ 88.5
Apr.	92.5	95.2	3/ 92.5	89.0	92.5	3/ 88.5
May	94.7	96.2		88.6	92.0	
June	91.7	94.3		85.4	91.0	
July	91.1	92.6		85.1	90.7	

Compiled from Bolletino Mensile di Statistica del Regno d'Italia.
1/ Spinning activity in percentage of full capacity, basis spindle hours.
2/ Weaving activity in percentage of full capacity, basis loom hours.
3/ Estimated, subject to revision.

Belgium

Reports from Belgium indicate that yarn stocks in the hands of spinners are showing a tendency to increase, as a result of slow sales, both domestic and for export. The situation in the weaving section is similarly unsatisfactory.

Poland

Reports from Poland continue to indicate that the peak of the crisis in the cotton industry was reached during the first quarter of 1930, with indications that some improvement may be expected in the near future, as a result of the reorganization of production and the approaching season for summer goods. It is apparent that production of mills has now been brought more into line with sales possibilities. Recent reports indicate further substantial organized curtailment of output following reductions during 1929, as is shown by the figures given below.

Activity of Polish cotton spinning industry, 1929

Week ended	Million spindle hours
Jan. 20	105
Feb. 17	101
Mar. 17	95
Apr. 21	91
May 19	74
June 16	61
July 14	56
Aug. 18	65
Sept. 15	75
Oct. 27	74
Nov. 17	70
Dec. 22	68

First quarter, 1930 substantially lower

The financial position of the Polish cotton textile industry still remains very much strained, however, as the number of failures and receiverships continues high. While uncontrolled over-production was probably the principal cause of the recent crisis, it is evident that shortage of working capital in most of the Polish mills, as well as heavy investment in plants in the past two or three years, have had an important part in the difficulties of the industry. The recent grant of 15 million Zloty ($1,681,000) to members of the newly formed Yarn Cartel by the Bank of Poland is expected to be a big help to the industry, which seems to be making a genuine effort to effect some organization of output. The hosiery manufacturing branch of the industry has now been organized.

Reports of cheap Russian fabrics on the Lodz market continue, but these are regarded as more of an annoyance than as really dangerous competition.

Japan

The cotton situation in Japan shows no considerable improvement although production of yarn and consumption of American cotton increased in April according to a cable dated May 22 received from Consul Dickover at Kobe. Yarn production for April was 227,000 bales, an increase of 8,000 over March. The prices of yarn are weak and mills are trying to reach an agreement on further restriction of output by 5 per cent. Cloth production in mills is maintained at about 130,000,000 yards monthly but exports in April dropped to 131,000,000 square yards due to the higher Indian tariff and the low value of silver in China. Imports of American cotton during April amounted to about 110,000 bales. Imports so far this cotton year are 223,000 bales under the previous cotton year, but mills have produced 173,000 bales more yarn the first eight months of this cotton year than in the same period last cotton year, indicating that stocks of American cotton are very low. At the same time mills claim to have stocks of American cotton in Japan or afloat sufficient to carry them until the latter half of August while merchants have stocks of about 125,000 bales. Japanese

mill consumption is running at about 90,000 bales monthly. If merchants and mills decide to carry their usual stocks further, purchases this cotton year should be around 300,000 bales, Cheaper grade of American cotton mostly under 7/8" staple is demanded at this time by mills. The strikes in some of the Kanega Fuchi mills have been settled, but in others they still continue. The Japanese Cotton Trading Company's Financial condition is being adjusted and it will continue business but probably on a smaller scale and more conservatively.

China

According to cabled information from Agricultural Commissioner Nyhus, stationed at Shanghai, the renewal of civil strife together with widespread banditry and insecurity in the Interior has slowed up the market for cotton yarn. Stocks in Chinese mills are large but mill owners do not feel that the situation warrants a reduction in mill operations. Yarn prices have dropped to levels in relation to the price of raw cotton which will hardly permit an operating profit, but mill owners express confidence in an early victory by the Nanking government which will restore distribution and improve yarn prices. Native cotton prices are .56 cents per pound higher than last season while yarn quotations are $3.73 per bale lower than in May last year. The local cotton market continues quiet with mills generally well supplied with native and Indian staple. Ample rainfall in April at the present time has enabled the local cotton crop to get an early start. Considerable cotton was planted broadcast in wheat fields before the wheat was harvested and good stands are reported in the vicinity of Shanghai.

Business in American cotton is temporarily quiet but the Japanese section of the industry continues to be heavy users. Japanese mills are sold out up to August. American new crop quotations are materially less than current prices and mills will buy as sparingly as possible but since local stocks of American cotton are very low it is expected that Japanese mills must soon resume buying for June and July shipments.

Troubles in the interior and still lower levels in the silver exchange have added to the difficulties of the foreign piece goods market. Business in general is very slow. The following are quotations for May 20, cotton Hankow standard cotton June delivery 9.84 cents per pound, American middling 7/8 inch May shipment cost, insurance and freight 15.10 cents per pound, standard sixteen count yarn June delivery $56.75 per bale.

PRODUCTION, ACREAGE AND CROP CONDITION REPORTS

World production

The following table shows the revised estimated world production of cotton, for the past 30 years, the production in the principal cotton-producing countries for as many years as comparable figures are obtainable together with the estimated commercial crop in the world since 1909-10:

COTTON: World production of lint, 1900-01 to 1929-30

Year	Estimated world total, excl. China	Estimated world total, incl. China	Principal producing countries: United States	India	Egypt	China 1/	Brazil	Russia (Asiatic)	Estimated world total commercial crop 2/
	1,000 bales 3/	1,000 bales 3/	1,000 bales 3/	1,000 bales 3/	1,000 bales 3/	1,000 bales 3/	1,000 bales 3/	1,000 bales 3/	1,000 bales 4/
1900-01 ..	14,800		10,123	2,471	1,126				
1901-02 ..	14,200		9,510	2,297	1,320		197		
1902-03 ..	15,900		10,631	2,818	1,210		315		
1903-04 ..	15,100		9,851	2,645	1,349		294		
1904-05 ..	19,300		13,438	3,172	1,308		324		
1905-06 ..	16,100		10,575	2,859	1,235		438		
1906-07 ..	20,300		13,274	4,129	1,440		418		
1907-08 ..	16,500		11,107	2,613	1,499		277		5/16,512
1908-09 ..	19,100		13,242	3,090	1,399		318		5/19,698
1909-10 ..	16,900		10,005	3,998	1,036		324		5/16,241
1910-11 ..	18,400		11,609	3,254	1,555		357		5/18,027
1911-12 ..	21,900		15,693	2,730	1,530		360		5/21,269
1912-13 ..	21,100		13,703	3,702	1,554		418		5/20,976
1913-14 ..	22,200		14,156	4,239	1,588		477		5/21,618
1914-15 ..	24,200		16,135	4,359	1,337		465	1,270	5/23,768
1915-16 ..	17,800		11,192	3,128	989		339	1,512	5/17,649
1916-17 ..	18,366	19,900	11,450	3,759	1,048	1,534	337	1,199	5/18,092
1917-18 ..	17,608	19,700	11,302	3,393	1,304	2,092	414	634	3/18,140
1918-19 ..	17,841	20,900	12,041	3,328	999	3,059	406	161	3/18,755
1919-20 ..	18,782	21,300	11,421	4,853	1,155	2,518	461	81	3/20,220
1920-21 ..	19,217	21,100	13,440	3,013	1,251	1,883	476	58	3/19,665
1921-22 ..	13,886	15,400	7,954	3,753	902	1,514	504	43	3/15,334
1922-23 ..	16,982	19,300	9,755	4,247	1,391	2,318	553	55	17,926
1923-24 ..	17,707	19,700	10,140	4,320	1,353	1,993	576	196	19,036
1924-25 ..	22,622	24,800	13,628	5,095	1,507	2,178	605	453	23,836
1925-26 ..	25,798	27,900	16,104	5,201	1,629	2,192	602	782	26,678
1926-27 ..	26,658	28,400	17,977	4,205	1,586	1,742	512	773	27,812
1927-28 ..	22,125	24,000	12,955	4,990	1,261	1,875	505	994	23,370
1928-29 ..	24,256	26,100	14,478	4,747	1,672	1,844	553	1,135	25,611
1929-30 6/		26,200	14,828	4,402	1,725			1,351	

Division of Statistical and Historical Research. Compiled from official sources and International Institute of Agriculture unless otherwise stated. Data for crop year as given are for crops harvested between Aug. 1 and July 31 of the following year. For the United States prior to 1914 the figures apply to the year beginning September 1.

1/ Chinese Cotton Mill Owners' Association. Figures represent the crop in the most important cotton-producing provinces where the commercial crop is grown. Most of the cotton produced in other provinces is used for home hand-loom consumption. 2/ Figures as reported by the United States Bureau of the Census, including the cotton destined to enter commercial channels for factory purposes. Estimates of the commercial crop in China are included. 3/ Bales of 478 pounds net. 4/ American in running bales and foreign cotton in bales of 478 pounds net. 5/ Bales of 500 pounds net. 6/ Preliminary.

The crop for the 1929-30 season is now estimated to be 26,200,000 bales of 478 pounds net for all countries including China. See page 566, Foreign Crops and Markets issue of February 14 for production by countries. This world total exceeds last season's crop by 100,000 bales, but is smaller than the 1925-26 and 1926-27 crops by 1,700,000 bales and 2,200,000 bales respectively. The United States produced about 57 per cent of the entire crop for all countries including China for the past season.

In 1900-01 the United States crop was 68 per cent of the world total, excluding China, the same average as for the five-year period 1900-01 to 1904-05. This average production decreased to 62 per cent of the total for all countries excluding China for the five-year period 1924-25 to 1928-29, the crop being only 59 per cent of the total in 1927-28 and 60 per cent in 1928-29.

India produced 17 per cent of the entire crop, excluding China, for the 5-year period 1900-01 to 1904-05 the same percentage of the total crop as in 1900-01. The Indian crop ranged from 12 to 24 per cent of the total for the following 6 years; 12 per cent in 1911-12; 20 per cent in 1916-17; 26 per cent in 1919-20 and 27 per cent in 1921-22. The production for the five years 1924-25 to 1928-29 was only 20 per cent of the total produced in all countries (excluding China) this low average being caused partially by a decrease of almost a million bales in its own crop and the increase in the United States crop. The Egyptian crop has remained from 6 per cent to 9 per cent of the total for all countries excluding China for the past 29 years.

United States

The Crop Reporting Board of the United States Department of Agriculture, from the reports and data furnished by crop correspondents, field statisticians, cooperating State Boards (or Departments) of Agriculture and Agricultural Colleges, and Census reported ginnings makes the following revised estimates of the COTTON CROP of 1929.

Revised estimates of the cotton crop of 1929, by States

State	Area in cultivation July 1, 1929	Area picked 1929	Yield of lint cotton picked per acre 1929	Production 1929 1/	Ginnings 1929 crop as reported by Census May 15, 1930
	Acres	Acres	Pounds	Bales (500 lbs. gross)	Bales (500 lbs. gross)
Virginia	89,000	88,000	258	48,000	47,527
N. Carolina	1,916,000	1,878,000	190	747,000	747,208
S. Carolina	2,273,000	2,216,000	179	830,000	830,055
Georgia	3,818,000	3,753,000	171	1,343,000	1,342,643
Florida	96,000	94,000	145	29,000	28,578
Missouri	348,000	341,000	308	220,000	219,932
Tennessee	1,147,000	1,136,000	217	515,000	515,774
Alabama	3,727,000	3,690,000	174	1,342,000	1,341,550
Mississippi	4,229,000	4,166,000	220	1,915,000	1,915,430
Louisiana	2,135,000	2,114,000	183	809,000	808,825
Texas	18,229,000	17,500,000	108	3,940,000	3,941,626
Oklahoma	4,430,000	4,275,000	128	1,143,000	1,142,666
Arkansas	3,933,000	3,858,000	178	1,435,000	1,434,660
New Mexico	132,000	130,000	333	90,000	88,450
Arizona	227,000	2/ 226,000	2/ 324	2/ 153,000	152,839
California	319,000	309,000	402	260,000	259,647
All other	19,000	19,000	227	9,000	8,539
United States total	47,067,000	45,793,000	155.0	14,828,000	14,825,949
Lower California (Old Mexico) 3/	151,000	147,000	244	75,000	4/ 75,056

1/ Bales rounded to thousands, allowances made for cross State ginnings and assed for United States total.

2/ Including Pima long staple, 67,000 acres, yield 211 pounds per acre, production 30,000 bales.

3/ Not included in California figures, NOR in United States total.

4/ Ginnings 73,763 running bales, as enumerated by California Cooperative Crop Reporting Service.

The following is a condensed statement of the weather conditions in the cotton belt during May and the first three days in June as reported by the Weather Bureau of the Department of Agriculture.

The western part of the belt during the first half of the period was generally a little too wet with the week ended May 20 very unfavorable on account of excessive rains. The moisture during the last two weeks of the period ended June 3 was favorable with the temperature a little too low for good growth.

Except for the first two weeks which were rather favorable, the central part of the belt has been generally slightly too wet with the temperature favorable.

The eastern belt was considerably too dry throughout this period except for the week ended May 27 during which helpful showers were reported in most sections. The temperature was fairly favorable the first half of the period, but little too cool the last half.

Fertilizer tag sales in the nine important cotton producing States as reported by the National Fertilizer Association from December through May show an increase of about 1 per cent above the corresponding period a year ago and were about the same as for this period two years ago. The total for the six months ended May 1930 was 4,315,137 short tons; same period a year ago 4,284,747 tons and two years ago 4,337,099 tons.

Egypt

The production of ginned cotton in Egypt for the season 1929-30 is estimated at 1,725,000 bales of 478 pounds net according to reports received from the International Institute of Agriculture at Rome. Of this, 558,000 bales are of the Sakellaridis variety while the remaining 1,167,000 bales are of other varieties. At the same time last season the crop was estimated to be 1,628,000 bales of 478 pounds net, 526,000 bales of Sakellaridis and 1,102,000 bales of other varieties. The final estimate of the Egyptian Department of Agriculture for the 1929-30 crop was 1,672,000 bales of 478 pounds net.

Soviet Russia 1/

The Soviet press is showing distinct signs of anxiety in consequence of the slow development of the cotton planting campaign. According to an official report, only about 50 per cent of the "planned" area was sown to cotton by May 10 and sowing should have been nearly completed by that time. Later information indicated that the rate of planting in Central Asia improved greatly during the second ten days of the month. Local organizations have complained that unfavorable weather conditions hampered planting.

Extreme shortage of feedstuffs, neglect of the individual cotton growers, poor preparatory work and poor distribution of wheat are given as the chief causes for the slow rate of planting. The rich peasants are reported to be making strenuous efforts to bring about a reduction of the acreage under cotton and are hampering cotton growers in the execution of their plans.

It will be remembered that the Government plans for the 1930 cotton acreage called for an increase of 50 per cent and an increase of the commercial outturn of 75 per cent, according to Government plans. The crop is now admitted to have been rather poor last year. Even if the recently announced tax alleviations and strenuous efforts of the Government should bring about a 100 per cent execution of the plan, the late plantings run the risk of early frost damage and unfavorable maturing conditions. Even if this year's plans are not fully executed the 1930 acreage under cotton may still be

1/ Mr. Steere's report.

considerably above that of the previous year. The International Institute of Agriculture at Rome gives the latest acreage for Russia for the season 1929-30 as 2,560,000 acres.

Sudan

Cotton production in Anglo-Egyptian Sudan is now estimated to be 137,359 bales of 478 pounds net, according to a cable received from the International Institute of Agriculture at Rome. This is a decrease of 4,388 bales under last season's crop of 141,747 bales.

Uganda

The present crop in Uganda is now estimated to be 100,412 bales of 478 pounds net according to the International Institute. The crop last year was estimated to be 164,000 bales.

Nigeria

In Nigeria the crop is estimated at 33,469 bales of 478 pounds net as compared with 28,452 bales last season.

MISCELLANEOUS NEWS

The Cotton Advisory Committee has met and after a thorough study reported to the Federal Farm Board that there is an emergency in the American cotton market requiring a stabilization operation such as is contemplated in section 9, paragraph (d) of the Agricultural Marketing Act. The committee suggested that this function should be performed by a corporation other than the American Cotton Cooperative Association. Accordingly, the cotton cooperatives have taken steps to set up a new nonstock corporation to be known as the Cotton Stabilization Corporation. Articles of incorporation were filed in Delaware.

A bill, H. R. 12167, by Representative Vinson of Georgia, to amend the United States Cotton Futures Act of August 11, 1916, as amended, to provide for the prevention and removal of obstructions and burdens upon interstate commerce in cotton by further regulating transactions on cotton-futures exchanges and for other purposes, was referred to the committee on Agriculture and ordered to be printed May 5.

A joint resolution, H. J. Res. 354 by representative Larsen of Georgia to authorize and direct the Secretary of Agriculture to provide additional facilities for the classification of cotton under the United States Cotton Standards Act, and for the dissemination of market news information was referred to the Committee on Agriculture and ordered to be printed May 28.

Announcement has recently been made that a new variety of cotton has been developed at the United States field station, Sacaton, Arizona, by crossing Pima, the long-staple variety of Egyptian type grown in Arizona with Sakel, the best of the varieties grown extensively in Egypt. It has been abundantly demonstrated, both in Arizona and in Egypt, that Pima is better than Sakel in type of plant, productivity, size of bolls, and length of lint, but Sakel is believed to be somewhat superior in strength of the lint and the manufactured yarn. Evidently, a combination of the best features of both varieties would give a very desirable cotton.

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UNITED STATES DEPARTMENT AGRICULTURE
Bureau of Agricultural Economics
Washington

C-60 WORLD COTTON PROSPECTS July 12, 1930

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SUMMARY

Cotton prices both in America and abroad continued downward during most of June. From June 6 to July 3 there was a net decline in spot prices of American middling in the United States of 210 to 230 points. In Liverpool, American middling dropped 148 American points, a decline of 9.6 per cent and No. 1 Oomra (Indian cotton) declined 12.7 per cent while other important growths showed a little more strength. Futures contracts for American cotton dropped 103 to 212 points during this period with New York July contracts considerably weaker than other contracts.

The world visible supply on June 27 was about 1.5 million bales above last year at this time and is the largest for this date since 1921. Of this total 56 per cent is American as compared with 51 per cent a year ago. The decrease in the visible supply for the three weeks from June 6 to June 27 was about one-half as great this year as last. Exports from the United States for the season up to June 27 were about 1.3 million bales below last year and for the period June 6 to 27 were about one-half as much as for this period in 1929.

Activity in the domestic textile industry continued at a low level during June with considerable evidence of organized efforts to bring about improvement. Great Britain remains in a depressed condition though

some increase in inquiries for yarn and cloth is reported. Mill activity in continental Europe during May and June continued very low with consumption probably reaching the lowest level since 1926. Japanese mills with a nominal 17 per cent restriction of output have decided on an additional 10 per cent restriction. Disturbed conditions in the interior of China have resulted in an accumulation of stocks but as yet there has been no curtailment of spinning operations.

Acreage in cultivation in the United States on July 1 is estimated at 45,815,000 acres or 2.7 per cent below last year and 2.4 per cent less than 1928. The planted acreage in Russia is reported to be considerably higher than last year.

The weather throughout the American Cotton Belt during June was slightly unfavorable for the best development of cotton though generally favorable the last half. The condition of the Egyptian crop during June was reported at 100 to 102 per cent of the 10-year average.

Prices

Spots

The downward trend in the American markets which has prevailed since the beginning of the season, with the exception of the period from March 10 to April 3, continued to June 24. From June 6 to June 24 the average price of middling 7/8 in the ten markets declined from 14.59 cents to 12.02 cents, New Orleans declined from 15.00 cents to 12.36 cents, and New York from 15.85 cents to 13.25 cents, a decline of 257 points, 264 points, and 260 points respectively. Since June 24 there has been some improvement, the ten markets averaging 12.49 cents on July 3 or 47 points above the low of June 24 and a net decline of 210 points since June 6. New Orleans spots on July 3 were 12.70 cents and New York 13.60 a net decline from June 6 of 230 and 225 points respectively.

Prices in Liverpool 1/ during the period June 6 to July 3 declined somewhat in line with prices in the United States. The quotation for fully good fair Sakellaridis on July 3 was 24.43 cents per pound or 223 points below the June 6 price. Fully good fair Uppers were 19.34 cents having declined 81 points since June 6. American middling at Liverpool declined 148 points to15.43 cents per pound on July 3. Fully Oomra No. 1 (Indian cotton) on July 3 was 9.63 cents, 122 points below the quotation of 10.85 cents on June 6. Oomra's showed the greatest weakness with a decline of 12.7 per cent, American next with 9.6 per cent, Sakellaridis 9.1 per cent and Uppers only 4.2 per cent.

Futures

Futures contracts for American cotton in the important markets declined 103 to 212 points per pound from June 6 to July 3 with the greatest decline in the New York July contract which declined 212 points to 13.49 cents. The New Orleans contract for July delivery declined 148 points to 13.93 cents and Liverpool closed at 14.58 cents at a decline of 122 points. Contracts for October delivery declined 124 points at New York and closed at 13.26 (old contract), New Orleans closed 116 points lower at 13.03, and Liverpool 134 points lower at 14.15 cents per pound.

On June 6 New York July contract was 125 points above October contracts and only 5 points below July contracts in Liverpool. On July 3, however, New York July was only 23 points above October and was 109 points below Liverpool July contracts.

Futures prices on July 3 were also considerably above the June 24 quotations which were the lowest since the season 1926-27.

1/ Liverpool prices are converted to cents using the factor 2.0277 cents per pence.

STOCKS AND MOVEMENT

World visible supply

The total visible supply on June 27, of 5,951,222 bales was 1,475,501 bales more than at the same time last year and was the largest for any corresponding date since 1921. Of this total 3,352,222 bales or 56.3 per cent was American whereas only 51.4 per cent of the total at this time last year was American.

It may also be noted that the proportion of American in Great Britain and continental stocks is considerably lower, meaning necessarily that the per cent of stocks remaining in the United States are considerably higher than a year ago.

The decrease in the visible supply continues at a very low rate, the decrease for the three weeks from June 6 to June 27 amounting to 293,894 bales as compared with a decrease during this period a year ago of 560,703 bales (see last month's release for June 6 figures). Of this total decrease, 245,894 bales or 83.6 per cent was American cotton whereas 88.8 per cent of the decrease a year ago was American.

The Commercial and Financial Chronicle gives the world's visible supply on Friday June 27, with comparisons for same date in 1929 as follows:

American Cotton

Item	1929		1930	
	Bales	Percent of total	Bales	Percent of total
Great Britain stocks	522,000	11.6	334,000	5.6
Continental stocks.	506,000	11.3	573,000	9.6
American afloat for Europe	178,000	4.0	100,000	1.7
United States port stocks.	791,916	17.7	1,679,755	28.2
United States interior stocks.......	303,805	6.8	665,467	11.2
United States exports today (Friday)	-		-	
Total American	2,301,721	51.4	3,352,222	56.3

East Indian, Brazil, etc.

Item	1929 Bales	1929 Percent of total	1930 Bales	1930 Percent of total
Great Britain stocks	387,000	8.9	522,000	8.8
Continental stocks.	80,000	1.8	100,000	1.7
Indian afloat for Europe	116,000	2.6	137,000	2.3
Egypt, Brazil, etc. afloat	124,000	2.8	98,000	1.7
Stocks in Alexandria, Egypt.	285,000	6.3	502,000	8.4
Stocks in Bombay, India.	1,172,000	26.2	1,240,000	20.8
Total East Indian, Brazil, etc.	2,174,000	48.6	2,599,000	43.7
Total visible supply	4,475,721	100.0	5,951,222	100.0

Exports of American cotton

Exports for the season through June 27 were 1,348,438 bales below last year and exports for the three weeks June 6 - June 27 amounted to 119,179 bales as compared with 228,004 bales for this period in 1929. Great Britain has taken so far this year proportionally less than last year whereas exports to Mexico, Japan and China were about the same in proportion to total exports as a year ago. Exports to France for the season are still above last year, though during May and June exports have been running below the previous year.

The following Table on exports was taken from the New York Cotton Exchange reports:

Exported to	Aug. 1 - June 27				June 6 - June 27			
	1928-29		1929-30		1928-29		1929-30	
	Running bales	Percent of total	Running bales	Percent of total	Running bales	Percent of total	Running bales	Percent of total
Great Britain	1,830,813	22.9	1,252,692	18.9	18,145	8.0	13,376	11.2
France........	788,731	9.9	814,108	12.3	8,027	3.5	4,014	3.4
Continent,etc.	3,861,520	48.4	3,341,782	50.4	150,785	66.1	77,547	65.1
Mexico........	26,172	.3	17,187	.2	358	.2	347	.3
Japan & China	1,474,883	18.5	1,208,912	18.2	50,689	22.2	23,895	20.0
Total	7,982,119	100.0	6,634,681	100.0	228,004	100.0	119,179	100.

Spinner's takings

Spinners' takings of American cotton from August 1 to June 27, were 2,251,000 bales below the same period a year ago. The greatest relative decrease has been in the takings of foreign spinners. This was probably due in part to the cheapness of other cottons as compared with American. Spinners takings for the four weeks ending June 27 were 422,000 bales below this period last year. There was little difference in the relative takings of the three groups during these four weeks this year and last year.

Spinners' takings of American cotton as reported by the New Orleans Cotton Exchange.

Spinners	Aug. 1 - June 27				Four week's ending June 27			
	1928-29		1929-30		1928-29		1929-30	
	1,000 running bales	Percent of total	1,000 running bales	Percent of total	1,000 running bales	Percent of total	1,000 running bales	Percent of total
Northern states and Canada.....	2,101	13.6	1,731	13.1	102	10.7	49	9.1
Southern states..	5,477	13.4	5,037	38.1	276	28.8	163	30.4
Foreign spinners.	7,890	51.0	6,449	48.8	580	60.5	324	60.5
Total.........	15,468	100.0	13,217	100.0	958	100.0	536	100.0

Takings of American compared with other growths

According to Consul Edwin C. Kemp, total imports of all growths at Havre during the first ten months of the season were 14.8 per cent below a year ago while imports of American cotton was only 11.4 per cent below a year ago. Imports of American cotton during May, however, were 28.1 per cent below May last year, whereas the total imports were only 4.17 per cent below May 1929. This was probably due to the relation of New York futures to futures in other markets.

Imports of American cotton into Japan during May amounted to about 94,000 bales or only enough to meet consumption requirements. Visible stocks ashore and afloat on June 20 were about 230,000 bales, whereas, the probable consumption from the middle of June until the new crop arrives in November is estimated at about 350,000 bales. (Consul Dickover at Kobe)

Continental spinners' demand and takings 1/

Spinner demand for raw cotton has been rather generally improved on price recessions during June. Italy alone appears to have maintained extreme reserve in the matter of spinner purchases. In both western and central Europe spinners showed interest whenever an important setback in prices developed, though confining purchases chiefly to near and summer-month buying. Price fixing also increased on price recessions, but new crop cotton has remained neglected. There is much reason to believe that spinners, generally, consider the present extremely low level of cotton prices as a favorable buying opportunity and that the failure of buying to assume larger proportions is due largely to uncertainty about the general business situation and to continued lack of strength in demand for cotton goods. C. i. f. import buying by merchants has also remained limited.

The Whitsun holiday period ending the first part of June, with its reduced business activity, brought a further continuation of the downward tendency in spinner takings, which, during the four weeks ending June 13 were the smallest for any period of equal length in several years. Total takings of American cotton by continental spinners from August 1 to June 13 are 15 per cent below those for the same period last season and 20 per cent under takings in the season 1927-28.

1/ Based on report dated June 26, 1930, from Agricultural Commissioner L. V. Steere at Berlin.

Continental spinners' takings of American cotton during specified periods

Four weeks ending	1927-28	1928-29	1929-30
	1,000 bales 1/	1,000 bales 1/	1,000 bales 1/
Nov. 29	443	424	434
Dec. 27	457	436	415
Jan. 24	465	454	406
Feb. 21	397	361	380
Mar. 21	412	477	364
Apr. 18	376	332	304
May 16	404	337	256
June 13	377	417	245
From Aug. 1 - June 13	4,724	4,430	3,771

1/ Bales of 478 pounds net.

TEXTILE SITUATION

United States

Textile activity in the United States during June continued at a rather low level and reports indicate that many mills are reducing operations still more.

According to the press a rather important project which has been under consideration for several months by committees representing the Cotton-Textile Institute and the Association of Cotton Textile Merchants of New York has resulted in the representatives of 17 firms interested in the export of cotton textiles voting to form an export association. The proposed constitution for the association was presented at a recent meeting and those present voted unanimously to hold another meeting on July 15 for the purpose of forming the association. It is hoped that this association which is to be organized under the Webb-Pomerene Act to obtain uniform terms of payment and other matters which might properly be the subject of group action will improve the export trade in American cotton goods.

On July 1 at a meeting in New York which brought together some of the leading cotton converters in the business a great deal of interest was shown in the possibility of developing styles of cotton dresses suitable for the fall season. There is some talk that cotton may eventually become an all-year-round proposition in the dress trade as a result of this meeting. This would undoubtedly help the cotton textile industry a great deal should it become a reality.

Great Britain

The textile industry in Great Britain is still in a depressed condition though some little improvement in the undertone of business was reported in the form of increased inquiries for yarn and cloth and freer testing of prices. The conditions in India and China continue to have a depressing effect.

The Manchester Guardian on June 4 reports that the Lancashire Cotton Corporation, Ltd., through its chairman Sir Kenneth D. Stewart issued a statement that at a general meeting on June 3, the Corporation had authorized a sufficient increase in capital stock to absorb seven companies. This brings 853,357 additional spindles under the control of the Corporation. It is hoped that this together with the progress being made in the standardizing yarn and the additional reductions in costs attained by its cotton-buying department will improve the textile situation in England to some extent.

Continental Europe 1/

Unfavorable conditions have persisted in the continental cotton textile industry during May and June, with mill consumption of cotton probably reaching the lowest point since 1926, considering the Continent as a whole. Orders booked by mills continued small and mill activity seemed to be slackening at the time latest reports were received.

The development of new business for both cotton spinning and weaving establishments has been rather generally unsatisfactory in recent weeks, particularly in Central Europe and Italy, where this tendency has been evident for several months. France also now reports more hesitancy and slower bookings for both yarns and cloth, after a prolonged period of active trade. Only the small plants in southeastern European countries which are well protected by tariffs are still reporting first-rate business.

Mill curtailment has been more pronounced in Central Europe and Italy than in other parts of the Continent. Western Europe, particularly France, has for the most part been able to maintain previous good operations, but the mill situation here is also less bouyant.

Germany

With new sales scarce and mill activity being somewhat curtailed, conditions in the German cotton textile industry remained unfavorable during May and June.

Spinners report that current bookings were entirely of a short term character and that deliveries on old contracts are being accepted by buyers only with the greatest reluctance. The level of spinning activity in the mills is, therefore, said to have been reduced in May and June as compared with April operations. The latest available data on mill activity, i.e., for April, showed considerable improvement but it is believed that some error exists in the figures, although a slight increase in operations may have been possible.

1/ Based on report dated June 26, 1930, from Agricultural Commissioner L. V. Steere at Berlin, Supplemented by cable July 7.

Germany: Cotton weaving mill activity 1/

Month	1925-26	1926-27	1927-28	1928-29	1929-30
	Per cent	Per cent	Per cent	Per cent	Per cent
Aug.	--	73.9	92.8	85.9	66.2
Sept.	--	77.4	95.4	86.3	69.5
Oct.	--	82.1	93.4	87.2	72.1
Nov.	--	84.7	93.1	85.3	75.6
Dec.	--	86.5	93.3	85.6	72.8
Jan.	88.6	87.4	93.1	71.3	71.6
Feb.	85.5	89.3	92.6	71.5	76.1
Mar.	83.3	91.2	92.3	70.6	76.4
Apr.	78.7	91.4	91.1	70.8	69.3
May	77.0	93.5	90.4	61.0	2/ 69.0
June	73.3	92.9	88.7	64.3	2/ 69.0
July	71.7	92.5	88.3	61.7	

German Institute for Economic Research, Berlin.
1/ Up to December 1928, active looms in percentage of total looms in place; since January 1929, activity in percentage of 9 hours shift capacity.
2/ Estimated, subject to revision.

The German textile wholesale and retail trades report quiet business in recent weeks, though there is some optimism evident with regard to future improvement. One of the main reasons advanced for the likelihood of a pick-up is the better relationship now existing between cotton and wool prices. The advance in wool and the drop in cotton have placed the latter in a much better competitive position than existed hitherto. The trade is also gathering confidence from the generally low level of goods stocks. From a retail standpoint the outlook is not particularly promising because of the heavy unemployment and the rather unfavorable German business outlook for the immediate future, but any significant improvement in the cotton market in the next few weeks might stimulate renewed interest on the part of the textile trade. Imports of cotton yarns for May were below April while imports of woven materials were above.

Germany: Imports of cotton yarn and woven materials

Month	Cotton yarn 1/ 1925-26	1926-27	1927-28	1928-29	1929-30	Woven cotton materials 2/ 1925-26	1926-27	1927-28	1928-29	1929-30
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Aug.	--	3,962	14,240	7,046	6,583	--	787	4,277	1,455	1,164
Sept.	--	4,500	13,962	7,286	4,921	--	794	5,355	1,534	1,254
Oct.	--	4,599	13,514	7,842	5,210	--	1,380	5,620	2,015	1,484
Nov.	--	5,657	12,840	8,082	5,600	--	990	5,758	1,728	1,581
Dec.	--	5,617	12,879	6,676	5,410	--	1,063	5,373	1,576	1,358
Jan.	5,772	6,931	13,252	8,027	5,666	3,333	1,594	5,959	2,097	1,371
Feb.	5,154	8,400	11,409	6,303	6,354	2,846	2,943	4,363	1,728	1,530
Mar.	4,899	10,384	10,657	7,147	6,111	1,984	3,671	4,403	1,757	1,660
Apr.	4,140	13,488	10,154	6,327	5,441	1,351	3,995	3,530	1,755	1,468
May	3,554	12,509	8,823	6,259	5,225	1,142	4,687	2,650	1,499	1,530
June	4,638	13,294	8,093	5,271		1,142	4,824	2,092	1,534	
July	3,988	12,328	7,502	5,780		787	4,694	2,255	1,356	
Total		101,669	137,325	82,046			31,422	51,635	20,034	

Official Foreign Trade Statistics.
1/ No. 440 - No. 444 of the German Duty Register.
2/ No. 453a- No. 457d2.

Czechoslovakia.

Reports on the situation in the Czechoslovakian cotton textile industry indicate the continuance of generally unsatisfactory conditions, with no prospects for any material improvement in the immediate future.

Inability to maintain export business in the face of increasing foreign competition and the quieter business conditions in most of the export markets is an important factor in the Czechoslovakian cotton situation. The result has been an increase in the stocks of finished and semi-finished goods in the hands of mills and exporters, which has led to lower and unprofitable prices with competition growing. Reduced demand at home as a result of the poor general business situation and increased unemployment has only added to the difficulties of the textile industry. A number of mills have had to close down and there has been general curtailment of production, while at a recent meeting of Czechoslovakian textile manufacturers it was indicated that a further reduction of output was necessary if production was to be adjusted to present requirements. The situation has not been improved by the dissolution in May of the cotton yarn price cartel in consequence of the failure of certain members to adhere to the agreement, as it is generally thought that sharper competition and further cuts in prices will result. The industry is pressing for better government support in the way of foreign trade treaties favorable to the export of cotton goods.

The lack of cooperation reported in the spinning branch is less in evidence among weavers, who are reported to be working toward better cooperation, with preparations being made for the foundation of a cloth cartel.

Czechoslovakia: Exports of cotton yarn and cotton fabrics

Month	Cotton yarn, unbleached 1/ 1925-26	1926-27	1927-28	1928-29	1929-30	Cotton fabrics of all kinds 2/ 1925-26	1926-27	1927-28	1928-29	1929-30
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Aug.	--	3,252	5,373	3,569	4,198	--	6,903	9,105	7,476	8,342
Sept.	--	3,038	5,262	3,435	3,865	--	7,374	11,087	9,553	8,247
Oct.	--	3,309	4,687	4,261	4,173	--	7,571	9,224	8,655	8,763
Nov.	--	3,576	4,797	3,896	4,462	--	6,971	8,150	6,656	6,997
Dec.	--	3,311	5,165	4,872	5,062	--	6,508	8,437	7,612	7,474
Jan.	2,921	3,624	4,200	4,105	3,926	6,164	6,382	6,508	5,776	5,743
Feb.	2,619	4,850	4,453	3,095	4,200	6,812	7,498	7,127	5,582	5,851
Mar.	2,835	5,604	5,441	4,374	4,883	8,247	8,232	8,638	7,515	6,537
Apr.	2,440	5,736	3,[illegible]01	4,837	4,127	6,076	7,743	6,047	7,829	5,734
May	2,286	5,664	3,761	3,560	3/	4,455	6,479	5,787	6,325	3/
June	2,041	6,345	3,812	4,015	3/	4,747	7,496	5,240	6,173	3/
July	2,560	5,342	3,351	3,812		5,679	6,552	6,312	6,362	
Total		53,651	53,103	47,831			85,709	91,662	85,514	

Official Foreign Trade Statistics.
1/ No. 501 - 504 of the Czechoslovakian Duty Register.
2/ No. 527 - 577 " " " " "
3/ Continued decline (estimated).

Czechoslovakia: Cotton spinning mill activity
(In percentage of single shift capacity)

Month	Basis spindle hours 1926-27	1927-28	1928-29	1929-30	Basis active spindles 1926-27	1927-28	1928-29	1929-30	Activity of active spindles 1926-27	1927-28	1928-29	1929-30
	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent
Aug.	63	107	87	1/ 88	75	94	89	1/ 85	83	114	98	1/104
Sept.	70	115	93	2/ 90	76	95	90	2/ 85	91	121	103	2/106
Oct.	80	114	98	3/ 89	80	95	91	3/ 85	101	120	108	3/104
Nov.	90	111	107	4/ 95	86	96	91	4/ 87	105	116	117	4/110
Dec.	97	111	104	5/ 94	87	96	92	5/ 87	110	116	113	5/109
Jan.	98	110	101	6/ 94	87	96	91	6/ 87	113	115	111	6/108
Feb.	101	109	100	7/ 93	90	95	91	7/ 86	112	115	110	7/107
Mar.	105	108	99	7/ 93	91	94	90	7/ 86	115	114	110	7/107
Apr.	108	105	100	7/ 93	93	93	90	7/ 86	116	112	110	7/107
May	110	100	95	7/ 91	93	95	88	7/ 84	118	105	108	7/105
June	110	95	94		94	90	88		118	105	107	
			(8/81				(8/87				(8/93	
July	103	80	(9/89		93	90	(9/87		111	89	(9/102	

Compiled from reports of the German General Textile Association.
1/ August 10 - September 7.
2/ September 8 - October 5.
3/ October 6 - November 2.
4/ November 3 - November 30.
5/ December 2 - December 28.
6/ December 29 - January 25.
7/ Estimated: subject to revision.
8/ June 15 - July 7.
9/ July 14 - August 10.

Austria

No material change in the position of the Austrian cotton textile industry has been evident during May and June. New orders placed with the manufacturing industry have been limited during this period, and trade reports indicate continuation of hand-to-mouth business. A revision of the Austrian tariff on cotton goods, which foresees a considerable increase in the rates for both yarn and fabrics, is thought likely to stimulate domestic business somewhat if the increases materialize.

Austria: Cotton spinning mill activity
(Percentage of "full capacity") 1/

Month	1922-23	1923-24	1924-25	1925-26	1926-27	1927-28	1928-29	1929-30
	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent
Aug.	--	59	57	76	57	90	76	73
Sept.	--	63	68	79	60	85	75	76
Oct.	--	63	70	83	65	85	79	76
Nov.	--	64	69	91	76	83	74	77
Dec.	--	66	78	87	75	82	80	78
Jan.	55	70	77	81	75	83	82	81
Feb.	57	70	80	85	79	81	83	73
Mar.	59	74	75	79	82	81	84	77
Apr.	59	72	75	75	86	78	84	72
May	58	67	70	67	85	73	80	2/ 72
June	62	64	76	62	82	76	74	2/ 71
July	59	66	79	72	87	73	73	

Compiled from reports of the Austrian Institute for Economic Research.
1/ "Full capacity" means about 125 per cent of post-war single shift capacity.
2/ Estimated, subject to revision.

Austria: Exports of cotton yarn to Germany 1/

Month	1925-26	1926-27	1927-28	1928-29	1929-30
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Aug.		139	551	201	73
Sept.		165	317	176	37
Oct.		132	245	157	29
Nov.		148	240	134	95
Dec.		159	223	214	66
Jan.	664	243	163	101	84
Feb.	494	476	260	88	104
Mar.	331	558	220	73	128
Apr.	331	694	203	106	121
May	243	624	340	84	64
June	203	456	243	40	
July	194	355	293	112	
Total		4,149	3,298	1,486	

Compiled from official foreign trade statistics.

1/ Five representative positions, i. e. sections 440 a-e of the German duty register.

Hungary

Reports from the Hungarian cotton industry indicate increased business in yarn during June, following somewhat quieter developments in the preceding month. The lower cotton prices prevailing are mentioned as an important stimulating influence.

All branches of the Hungarian cotton industry are now indicated to be doing rather active business, distributors as well as converters. Consumer demand for summer fabrics, as well as the placing of orders by the trade for winter goods, have apparently been stimulated by the approach of the harvest season, and the increased inquiry has been passed along to cloth establishments in turn to be reflected in increased takings from the spinning mills.

The favorable condition enjoyed by the Hungarian textile industry, in the face of depression in most other countries, is due, of course, to the fact that the country is on an import basis and the industry well protected. Recently published data for 1929 indicate that Hungarian mills produced about 62 per cent of the country's yarn requirements and 80 per cent of the cloth and finished goods.

France

The French cotton industry has maintained previous high levels of activity during May and most of June, according to all reports, though information from spinning centers indicate rather calm business and weaker prices since the latter part of May. It is stated that there has been some tendency for yarn stocks to accumulate, though as yet apparently not of serious proportions.

Reports from the principal cloth manufacturing centers evidence considerable variation in the character of business during this period, but demand has evidently been generally better than in the case of yarn, and good prospects are reported for trade with some of the important colonial markets, particularly North Africa. There is some complaint that new bookings are on a smaller scale than previously and that buyers are showing reticence because of the expectation that goods' prices will adapt themselves to the lower levels prevailing for raw material.

Italy

Conditions in the Italian cotton textile industry have taken a definitely less favorable turn since early May, with orders on hand, sales and mill activity dropping to somewhat lower levels. As a result, the demand for raw cotton has become dull and, even at times of active pruchases by other countries, has remained very limited.

Mill sales of cotton yarn have recently been much below production and considerably below last year. As a result, yarn stocks in the mills have increased to above the level of a year ago, and spinning mill activity as well as weaving mill occupation have dropped off since the beginning of the year. Operations in both branches are now somewhat below last year, though by no means seriously reduced. Unfilled orders on hand are also under last year's level.

Italy: Cotton spinning and weaving mill activity

Month	Spinning mill activity 1/			Weaving mill activity 2/		
	1927-28	1928-29	1929-30	1927-28	1928-29	1929-30
	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent
Aug.	--	90.9	93.1	--	85.6	88.6
Sept.	--	92.7	94.2	--	86.2	89.8
Oct.	--	94.5	95.3	--	87.9	89.8
Nov.	--	95.5	3/ 95.0	--	90.7	3/ 89.5
Dec.	--	96.6	95.5	--	92.3	90.6
Jan.	--	95.9	93.4	--	91.5	89.1
Feb.	93.0	95.8	91.3	89.3	91.2	88.0
Mar.	91.8	96.3	87.9	89.1	91.9	85.7
Apr.	92.5	95.2	3/ 87.5	89.0	92.5	3/ 85.5
May	94.7	96.2	3/ 87.0	88.6	92.0	3/ 85.0
June	91.7	94.3		85.4	91.0	
July	91.1	92.6		85.1	90.7	

Compiled from Bolletino Mensile di Statistica del Regno d'Italia.

1/ Spinning activity in percentage of full capacity, basis spindle hours.

2/ Weaving activity in percentage of full capacity, basis loom hours.

3/ Estimated, subject to revision.

Poland

May and June reports on conditions in the Polish cotton textile industry confirm previous expectations. The reduced working hours recommended by the spinners' cartel have been maintained and spinners continue to operate, on an average, one shift six days a week. 1/ Production, in fact, has now been increased slightly, but figures of the cartel indicate that yarn sales have risen more than the output, so that stocks in the mills are being reduced further. Yarn stocks, as well as stocks of finished goods, are now considered moderate in Poland, a fact that furnishes a basis for a more hopeful outlook, especially with some record for successful control of output back of the industry.

Japan

Conditions continue unsatisfactory in the textile industry in Japan according to Consul Dickover at Kobe. Despite a nominal 17 per cent restriction of output, yarn production in May amounted to 228,000 bales, only 11 per cent below the peak production of December. Mills have decided, therefore, on further restrictions of 10 per cent from June 16th. In spite of this restriction yarn prices have fallen and mills are estimated to be operating at a loss. Local government authorities are advising against further closing down for fear of serious labor troubles. Cloth production for May remained unchanged, but exports were 26 per cent below March and 4 per cent below April.

China

At Shanghai, according to Agricultural Commissioner Nyhus, the local cotton yarn market continued weak during May and first half of June due to disturbed conditions in the interior. Stocks are accumulating in Chinese mills but there has been no curtailment of spinning operations. Japanese mills, however, are sold out up to October and November.

Very little new business has recently been done in American cotton directly with America. The requirements of local Japanese mills for the summer months have been covered by purchases of American cotton at Osaka, Japan where spot prices have been lower than on the New York market. A local American importer states that new crop business is in the same situation. He reports very low and unprofitable prices for yarn in Japan and unsatisfactory conditions and outlook in the industry in general in Japan. Business in piece goods continues in small lots and on a hand to mouth basis. Local prices have advanced but remain far below replacement costs at the present very low silver exchange. In view of the barrenness of stocks in the interior it is felt that local prices will continue to improve but considerable advances must be made to cover replacement costs and to permit forward business in any volume.

Egypt

The market for Japanese gray sheetings remained very slack during the week ended May 10 with prices declining. Demand on the whole was negligible as importers continued to buy conservatively. During the week ended May 17 the market was calm but firm with no price fluctuations. Both local and foreign demand was very moderate. (Assistant Commercial Attache Ralph F. Chesbrough, Cairo.)

1/ Two shifts were regarded a normal occupation in Poland during the past years.

India

The following statement compares the production of cotton piece goods woven in Indian mills with the imports of such goods from foreign countries for the ten months ended January, 1929 and 1930: 1/

Item	Ten months ending January			
	1929		1930	
	Production 1000 yards	Imports 1000 yards	Production 1000 yards	Imports 1000 yards
Gray and Bleached	1,504,485	1,149,532	1,145,085	1,141,835
Colored	492,381	396,265	377,813	428,183
Total	1,996,866	1,545,797	1,522,898	1,570,018

It may be seen from this Table that the production for the ten months ending January 1930 was considerably below that for the same period a year earlier while the imports are above those for the previous year. This increase in imports may have been a result of the anticipated higher tariff on imports.

Philippine Islands

Business in American textiles continued unsatisfactory during May. General conditions in the Philippine textile market remained unsatisfactory from the American textile importers' viewpoint during May while dealers in Japanese textiles continued to do a satisfactory business at a reported profit. Local American textile dealers are watching credits carefully although business is extremely difficult to secure. Japanese rayons continued to be an important factor in the trade, exerting a serious influence on the demand for cotton piece goods. May arrivals of cotton piece goods from Japan, as per manifest, were 2,327 cases as against 407 cases of rayon or silk goods. Local dealers expressed surprise over the large proportion of cotton piece goods and are inclined to think the figures are erroneous. Total arrivals of textiles of all classes from the United States during May amounted to 2,921 cases; from Europe, to 568; and from Shanghai, only 88 cases. (Radiogram from Trade Commissioner E. D. Hester, Minila, June 19.)

1/ From weekly Bulletin No. 372-B Textile Division, Bureau of Foreign and Domestic Commerce.

PRODUCTION, ACREAGE AND CROP CONDITION REPORTS

United States

Acreage Report. The Crop Reporting Board of the United States Department of Agriculture, from the reports and data furnished by crop correspondents, field statisticians, cooperating State Boards (or Departments) of Agriculture and Agricultural Colleges, makes the following estimate of COTTON acreage in cultivation July 1, 1930. (Released July 8.)

U. S. ACREAGE IN CULTIVATION COMPARED WITH LAST YEAR 97.3 per cent.
U. S. ACRES IN CULTIVATION, TOTAL 45,815,000 acres.

Estimate of cotton acreage, by States

State	Area in cultivation			10-yr. aver. abandonment 1920 - 1929
	July 1, 1929	July 1, 1930		
	Acres	Percentage of 1929	Acres	
	Thousands	Per cent	Thousands	Per cent
Va.	89	101	90	2.0
N. C.	1,916	90	1,724	1.6
S. C.	2,273	97	2,205	2.7
Ga.	3,818	100	3,818	3.6
Fla.	96	110	106	5.2
Mo.	348	110	383	4.8
Tenn.	1,147	107	1,227	2.2
Ala.	3,727	98	3,652	1.7
Miss.	4,229	102	4,314	2.6
La.	2,135	97	2,071	2.8
Tex.	18,229	96	17,500	3.8
Okla.	4,430	92	4,076	6.7
Ark.	3,933	102	4,012	2.3
N. Mex.	132	101	133	1/ 10.6
Ariz. 2/	227	93	212	1.6
Calif.	319	86	273	1.7
All other	19	100	19	1/ 4.6
U. S. total	47,067	97.3	45,815	3.5
Lower Calif. (Old Mexico) 3/	151	67	101	1.3

1/ Eight-year average, 1922-1929.
2/ Including Pima Egyptian long staple cotton estimated at 46,000 acres this year compared with 67,000 acres in cultivation July 1, 1929.
3/ NOT included in California figures, NOR in United States total.

The Board made the following comments:

"The acreage of cotton in cultivation in the United States on July 1 is estimated by the Crop Reporting Board to be 45,815,000 acres, which is 2.7 per cent less than the acreage on July 1, 1929, 2.4 per cent less than in 1928, and 6 per cent below the record acreage of 48,730,000 planted in 1926.

"The estimate relates to acreage standing on July 1, allowance having been made for any acreage which was abandoned prior to that date and for any acreage replanted and in cultivation on that date.

"The acreage in Texas is estimated at 96 per cent of last year's acreage and in Oklahoma, acreage is estimated at 92 per cent of 1929. North Carolina shows the largest percentage decrease of any State in the Cotton Belt proper. The estimated acreage in that State is 90 per cent of last year. Other major cotton producing States which show smaller acreage than in 1929 are South Carolina and Louisiana, 97 per cent each and Alabama, 98 per cent. The acreage in Georgia is estimated to be the same as last year. In Mississippi and Arkansas the acreage is given at 102 per cent of 1929; Tennessee, 107 per cent; and Missouri 110 per cent.

"The acreage of Pima Egyptian long-staple cotton in Arizona is estimated at 46,000 acres this year compared with 67,000 acres in cultivation July 1, 1929.

"No report on probable cotton production is made by the Board until August. At that time the production forecast will be based on the forecast yield per harvested acre applied to the acreage in cultivation on July 1, less average abandonment in each State after that date."

Summary of Weather Reports. Rainfall throughout the cotton belt during June was somewhat below normal, but it should be remembered that May had been a little too wet over a good portion of the Belt. Considerable areas in the east, however, had moderate rainfall during the last week of June. The temperature during the first half of June was generally too cool. Warmer weather during the last two weeks was mostly favorable for the cotton crop, though in some regions hot dry winds were reported as damaging the young crop. From the standpoint of moisture and temperature together the weather during June was slightly unfavorable for the best development of cotton but generally favorable the last half. Conditions were mostly favorable for cultivation.

Russia 1/

The Russian cotton planting campaign is now almost completed, with the total acreage sown to June 10 reported as amounting to 4,183,403 acres, or about 63 per cent more than last year. Government "plans" for about a 50 per cent increase, therefore, have been executed to the full extent and even exceeded. The final success of the planting campaign is the larger and

1/ Mr. Steer's report.

more surprising when it is considered that plantings developed threateningly slowly up to the middle of May, with only about 50 and 60 per cent of the "planned" acreage having been planted by May 10 and May 15, respectively. Spurred on by strenuous efforts of local organizations and an energetic press campaign, plantings picked up considerably thereafter and by May 25 the plan was reported executed to the full extent for the Union as a whole. It is likely that a downward revision of the above mentioned figures will take place, following a statistical survey now in process. Nevertheless, the acreage will still be greatly above that of last year.

It is early for forecasts of the 1930 cotton production, but on the basis of the average yield per acre of cotton for the four years 1925-1928, the yield on the acreage reported planted to June 10 would amount to about 2,029,000 bales of 478 pounds net or about 58 per cent above the 1929-30 crop. However, a very considerable share of the area has been sown late, with consequent danger of early frosts reducing the yield. In addition, reports at present speak of poor preparation for hoeing, etc., with a shortage of labor in some sections an important factor. Poor organization of water distribution, resulting in delayed and insufficient irrigation in some cases, is also being complained of, as well as the rapid appearance of weeds. These factors are unfavorable for increased yields, so it is possible that the government plans, which foresee a large increase in the yield, will not be realized. Nevertheless, weather conditions at the end of May were reported favorable to cotton plants, and the difficulties mentioned may be considerably alleviated by efforts of the organizations concerned.

Egypt

According to cables received from the International Institute of Agriculture the condition of the Sakellaridis crop during May was given as 100 per cent and during June as 99 per cent. The condition of all other varieties was given as 100 per cent for May and 102 per cent for June. The condition during June 1929 was 99 per cent for Sakellaridis and 100 per cent for all others. 100 per cent represents the average condition for the past ten years.

China

Agricultural Commissioner Nyhus reports that better than usual rains in April and May and favorable conditions for cotton planting have been reported for Western Honan and for Shensi Provinces. This region produces the best quality of Chinese cottons which are capable of taking the place of certain qualities of American cotton. In the Yangtze Valley and on the Great Plain early growing conditions have likewise been favorable.

UNITED STATES DEPARTMENT OF AGRICULTURE
Bureau of Agricultural Economics
Washington

C-61 WORLD COTTON PROSPECTS August 21, 1930

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SUMMARY

Cotton prices both in America and abroad moved irregularly during July and early August though the trend was somewhat downward. From July 1 to August 9 there was a net decline of about three-fourth cent in spot prices of American middling seven-eighth inch and about the same in futures. Indian cotton declined somewhat more than American and Egyptian, both Sakellaridis and uppers, declined less than American.

The carryover of American cotton in the United States on July 31, 1930 of 4.3 million bales is 2.2 million bales larger than in 1929, 1.9 million bales larger than on July 31, 1928, and is the largest since 1921. An unofficial estimate gives the carryover of American cotton outside of the United States as 593,000 bales below last year and 946,000 bales below 1928. The indicated World supply of American cotton for the season 1930-31 of 20.4 million bales while above the supply for the two previous seasons is 3.1 and 0.3 million bales below the 1926-27 and the 1927-28 seasons.

The world visible supply continued to decrease at a slow rate with the decrease from June 27 to August 1 this year 103,027 bales less than the decrease during this period last year. This leaves the total visible supply as of August 1 at 5,229,606 bales as compared with 3,651,078 bales in 1929 and is larger than any corresponding date since 1921. Of this total American cotton accounted for 2,916,606 bales or 55.7 per cent of the total compared with 46.3 per cent American last year. Total exports of American for the eleven months ended June 30 were 1,291,706 bales below

the same period last year though the exports to France were above a year ago. The exports and domestic consumption of Indian cotton for the eleven months ended June 30 were above last year leaving a smaller supply than in either of the two previous seasons at this date. Total imports at Havre, France during the first eleven months of the 1929-30 season were 19.3 per cent above the previous season, but imports from Egypt were below last year.

Textile activity during June and July both in the United States and abroad continued to reflect the low level of business. The consumption of raw cotton in the United States during July of 378,833 bales was 26,346 bales below June and lower than for any month since August 1924. Exports of piece goods and yarns from Great Britain during July, however, were above June though still relatively low. The disturbed conditions in China and India continue as an unfavorable factor in the economic conditions in the cotton textile industry in these countries and in Japan and Great Britain. Production of raw cotton in the United States for the season 1930-31 is estimated at 14,362,000 bales, 466,000 bales below last year and 116,000 bales below the 1928-29 production.

Soviet Russia reports its planted acreage to be 70 per cent above last year though possible labor shortage is causing some alarm. The acreage in Egypt for the season 1930-31 is up 13 per cent over last year.

CONTENTS

Prices

Spots

The prices of American middling 7/8 inch cotton moved irregularly during July and early August though the trend was somewhat downward. The average of the ten markets on July 1 was 12.50 cents per pound and on July 31 was down to 11.73 cents per pound which was the lowest price of the 1929-30 season and was 7.07 cents below the highest price of the season made on August 1, 1929. The fact that the high and low prices for the 1929-30 season came on the first and last days respectively, makes clear the downward trend of cotton prices that existed throughout the season. From July 31 to August 7 there was an advance of a little over 1/2 cent per pound, but on August 8 the price broke to 11.75 cents which is lower than at any time since December 10, 1926. The low for the 1926-27 season was on December 3 when the ten markets averaged 11.40 cents per pound. Prices of American cotton at other spot markets during July and early August moved about the same as did the average of the ten markets.

The spot prices in Liverpool during July and early August for American and Egyptian, both Sakellaridis and Uppers have been irregular with American and Egyptian Uppers dropping to lower levels and Egyptian Sakellaridis working to higher levels when comparing the July 3 quotation to those on August 8. (see accompanying figure) Oomra No. 1 declined rather steadily to August 1, but from August 1 to August 8 gained about 4 cents per pound. The price relationship of these three important foreign growths with American cotton in the Liverpool market may be seen in the accompanying figure by noting the movement of the broken lines "points above or below American Middling". Although the trend of this line for Oomra No. 1 (Indian cotton) from the last of April until the last of June was slightly upward, meaning that the Indian prices were relatively higher than American it may be seen that since the last of June the trend of the line has been in the opposite direction. These relatively weaker prices of Indian cotton as compared with American of course encourages the use of Indian cotton by foreign spinners. The opposite situation exists in the comparison of Sakellaridis and Uppers, their comparative strength being favorable to the consumption of American cotton.

"In spite of the recent decline in prices of Indian cotton, American cotton has continued till now to enjoy the greater favor shown by Continental spinners during the period of better spinner demand prevailing in recent weeks. The drop in Indian prices has been considerably more significant in the futures market at Bombay than for actual Indian staples in Continental markets, but the actual cotton in Europe is now at the lowest level yet reached in comparison with American growths. If prolonged, this relationship will doubtless result in renewed interest in Indian cotton by Continental spinners, the failure of inquiry to be stimulated sooner being due to the recency of the new price relationship and further bearish reports from India.

Table 1.-Bremen prices of Indian cotton in per cent of American
November 1925 - July 1930 1/

Season Nov-July	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July
	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent
1925-26	89	84	80	74	77	78	75	81	82
1926-27	105	108	86	92	91	87	87	90	87
1927-28	82	84	84	87	87	82	81	82	78
1928-29	79	78	73	76	74	73	72	70	68
1929-30	73	72	72	70	72	63	67	70	64

1/ Average of Bremen quotations for: Fine mgd. Scindh; fine mgd. Oomra No. 2, f.st., Fine mgd. Broach, American Seed No. 1 (Punjab).

"Egyptian cotton, contrary to Indian, has risen in recent weeks in comparison with American staple, and in July has reached a level higher than at any corresponding time in the past five years, except for July 1927. Egyptian Uppers are now actually about 10 per cent higher than a month ago in relation to American staples, the change being due partially to an increase in Egyptian quotations, but chiefly to the decline in American prices. The relative firmness of the Egyptian market can be traced to a number of causes, considerable importance being attached, in trade opinion, to the reported interest of the Russian government for a large quantity of Egyptian cotton, the taking of which is said to be dependent upon the successful arrangement of a trade treaty between Russia and Egypt. At the same time, there has been frequent recent expression of trade belief that present prices of Egyptian should be regarded as very low, and that buyers should take advantage of these levels and of the Egyptian Government's readiness to sell from its stocks of better grade cotton, of which the supply in trade hands is very limited. These developments have led to a revival of interest and increased trade activity in Egyptian cotton, which has resulted in some advance in prices."

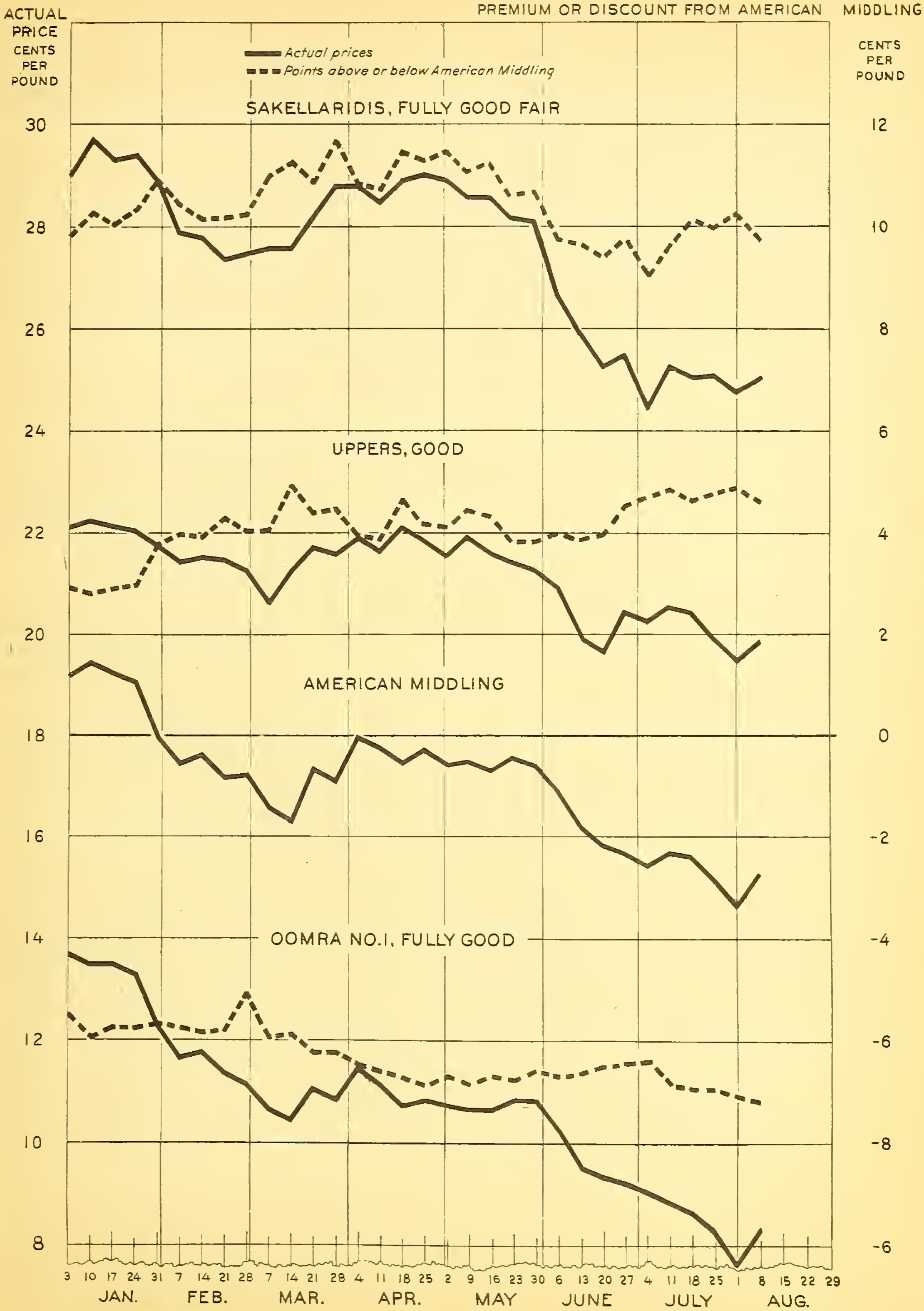
Table 2.-Liverpool prices of Egyptian Uppers in per cent of American.
November 1925 - July 1930 1/

Season Nov-July	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July
	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent
1925-26	127	127	117	108	109	105	113	112	107
1926-27	130	114	119	113	117	113	132	127	126
1927-28	120	115	117	115	119	124	120	114	108
1928-29	102	103	103	105	104	100	100	96	96
1929-30	98	97	98	104	104	100	103	101	111

1/ Bremen quotation for strict middling American, 1 1/16".

It may be noted that up to the end of June the Egyptian Government had purchased 2,867,250 cantors (equivalent to 599,843 bales of 478 pounds net) which represents a total expenditure of 50 to 55 million dollars. On June 25, 1930 the government issued a statement that this cotton is now for sale at the best possible price, but not below 28.00 cents a pound for fully good fair Sakellaridis and 19.80 cents per pound for fully good fair Uppers.

SPOT COTTON: COMPARATIVE PRICES AT LIVERPOOL, 1930



U. S. DEPARTMENT OF AGRICULTURE

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Futures

The prices of future contracts for American cotton were also irregular during July and early August, moving upward for a few days and then turning in the opposite direction only to reverse the direction a short time later. There was a net decline, however, from July 1 to August 9 of 0.68 to 0.75 cents per pound.

New York October (new) contracts which on July 1 closed at 13.09 cents per pound were down to 12.68 cents on July 14, up to 13.31 cents on July 19, down again to 12.33 cents on July 31, up to 12.96 cents on August 7 and on August 9 closed at 12.36 cents per pound or a net decline of 0.73 cents. The New Orleans October contracts moved similarly with a net decline of 0.74 cents. Other contract months were also irregular, fluctuating very much the same as did October with net declines of 0.68 to 0.76 cents in New York contracts and 0.69 to 0.74 cents in New Orleans. The near month contracts tended to show slightly greater fluctuations.

The July contracts which were considerably stronger than other months during April and May, but which dropped to a more normal relationship during June continued this normal relationship to the expiration of this contract month the latter part of July.

STOCKS AND MOVEMENTS

World visible supply

The total visible supply of all growths of cotton on August 1, according to the Commercial and Financial Chronicle was 5,229,606 bales compared with 3,651,078 bales in 1929, 4,056,219 in 1928, and 4,739,933 in 1927. This is larger than any corresponding date since 1921. Of this total visible supply 2,916,606 bales or 55.7 per cent were American whereas 46.3 per cent of the total in 1929 was American.

The visible supply continues to decrease at a slow rate. The decrease in the total from June 27 to August 1 this year amounted to 721,616 bales as compared with a decrease of 824,643 bales last year. The decrease in American during this period was 435,616 bales or 60.4 per cent of the total decrease compared with 708,643 or 85.9 per cent of the total decrease last year. This indicates that compared with last year the decline in takings of American cotton is proportionally greater than in other growths.

Table 3.-World visible supply of cotton: American and other growths on August 1, 1929, 1930 with comparisons

Location of stocks	1929 Total	1929 Percentage of total	1930 Total	1930 Percentage of total
	Running bales	Percent	Running bales	Per cent
American				
Great Britain	420,000	11.5	294,000	5.6
Continental	411,000	11.2	407,000	7.8
Afloat for Europe	149,000	4.1	116,000	2.2
United States:				
Port stocks	515,526	14.1	1,538,383	29.4
Interior stocks	197,552	5.4	560,254	10.7
Exports today (Aug. 1)	---	---	969	.0
Total American	1,693,078	46.3	2,916,606	55.7
East Indian, Brazilian, etc.				
Great Britain	419,000	11.5	527,000	10.1
Continental	79,000	2.2	124,000	2.4
Indian afloat for Europe	123,000	3.4	142,000	2.7
Egyptian, Brazilian, etc, afloat	129,000	3.5	86,000	1.7
Alexandria, Egypt	215,000	5.9	476,000	9.1
Bombay, India	993,000	27.2	958,000	18.3
Total East Indian, Brazilian, etc.	1,958,000	53.7	2,313,000	44.3
Total visible supply	3,651,078	100.0	5,229,606	100.0

Compiled from the Commercial and Financial Chronicle.

Carryover of American cotton

The carryover of American cotton in the United States on July 31, 1930 as reported by the Bureau of the Census which amounted to 4,521,747 running bales is the largest since 1921 and compares with 2,150,000 bales last year, 2,426,000 bales on July 31, 1928 and 3,663,000 bales in 1927. This carryover together with the estimated production indicates a prospective supply in the United States for the season 1930-31 of 18,684,000 bales compared with a supply of 16,958,000 bales last year, 16,904,000 bales in 1928-29, 16,618,000 bales in 1927-28 and 21,391,000 bales in 1926-27.

The carryover of American cotton outside the United States on July 31 as estimated by the New York Cotton Exchange was 1,750,000 bales or 593,000 bales below last year, 946,000 bales below 1928 and 2,382,000 bales below the 1927 carryover. These carryover figures for American cotton outside the United States were used to estimate the total World supply (see Table 4). The indicated world supply of American cotton for the season 1930-31 of 20,434,000 bales while 1,133,000 bales above the supply last

season and 834,000 bales above 1928-29 is 300,000 bales below that for 1927-28 and 3,045,000 bales below that for the season 1926-27.

Table 4.-American cotton: - Supply and carryover in United States and in world, 1925-1930.

Item	1925	1926	1927	1928	1929	1930
	1,000 bales 1/	1,000 bales 1/	1,000 bales 1/	1,000 bales 1/	1,000 bales 1/	1,000 bales 1/
World carryover, July 31. 2/	3,381	5,502	7,795	5,122	4,473	6,072
Stocks in United States July 31. 3/	1,504	3,414	3,663	2,426	2,130	4,322
Production for season beginning Aug.	16,104	17,977	12,955	14,478	14,828	14,362
Supply or prospective supply in United States	17,608	21,391	16,618	16,904	16,958	18,684
Stocks abroad July 31. 4/	1,877	2,088	4,122	2,696	2,343	1,750
World supply or prospective supply	19,485	23,479	20,740	19,600	19,301	20,434

1/ Running bales except production which is in bales of 478 pounds net.
2/ Stocks in the United States as reported by the Bureau of the Census plus stocks abroad as reported by the New York Cotton Exchange.
3/ From the Bureau of the Census.
4/ From the New York Cotton Exchange.

Exports of American cotton

Exports during July 1930 according to the Bureau of the Census were 114,083 bales below June 1929 and exports for the season 1929-30 were 1,352,879 bales below the same period a year earlier. From Table 5 it may be seen that exports to France were above last year and that exports to Germany and Italy while actually lower than last year constitute a larger percentage of the total than they did a year ago, which means the declines in exports to these two countries were proportionally less than to the other countries. The greatest decline was in the exports to Great Britain.

Table 5.- United States: Exports of domestic cotton, excluding linters, July and 12 months ended July, 1929 and 1930

Exported to	July		12 months ended July 31			
			1929		1930	
	1929	1930	Total	Percentage of total	Total	Percentage of total
	Running bales	Running bales	Running bales	Per cent	Running bales	Per cent
United Kingdom	21,080	20,667	1,850,846	22.8	1,256,042	18.8
France	9,421	13,148	774,574	9.6	811,520	12.1
Italy	29,555	12,893	716,802	8.9	652,430	9.8
Germany	43,569	49,295	1,796,798	22.3	1,687,366	25.2
Other Europe	82,648	49,907	1,092,588	13.6	832,588	12.5
Japan	31,617	15,725	1,309,183	16.3	1,020,016	15.2
All other	19,617	14,800	522,797	6.5	430,647	6.4
Total	237,507	176,435	8,043,588	100.0	6,690,709	100.0

Compiled from reports of the Bureau of the Census. Cotton in running bales, counting round bales as half bales.

Supply and distribution of Indian cotton

Consumption in India during the eleven months ended June 30 was greater than in any of the previous three years. This, together with large exports, which have been practically up to last year's high level, has lowered the supply of 7,727,000 bales which was larger than any of the previous three years, to the extent that on June 30 the stocks remaining in India amounted to 1,941,000 bales. This is less than in either of the two previous years and only 442,000 bales above the 1926-27 figure.

Table 6.- India: Supply and distribution of domestic cotton from August 1 to June 30, 1926-27 to 1929-30

Item	August 1 - June 30			
	1926-27	1927-28	1928-29	1929-30
	1,000 bales 1/	1,000 bales 1/	1,000 bales 1/	1,000 bales 1/
Carryover in India Aug. 1	1,047	1,150	1,816	1,877
Crop	5,128	5,632	5,858	2/ 5,850
Total supply	6,175	6,782	7,674	7,727
Consumption by India Aug. 1 to June 30	2,019	1,720	1,714	2,197
Exports from India Aug. 1 to June 30	2,657	2,840	3,598	3,589
Total distribution	4,676	4,560	5,312	5,789
Stocks in India June 30	1,499	2,222	2,362	1,941

From the New York Cotton Exchange Service Weekly Trade Report.

1/ Bales of about 400 pounds each.

2/ Preliminary.

Imports at Havre, France

The accompanying Table on imports at the port of Havre, France shows that while the imports at this port for the eleven months ended June 30, 1930 were 19.3 per cent above the corresponding period last year imports of American were only 11.3 per cent above the previous year and imports of Egyptian were 37.6 per cent below last year. However, Egyptian imports during June showed a very marked increase and imports of American a considerable decrease from June 1929. It is significant to note that imports for the season to June 30 from Brazil and from "all others" were 739.4 and 840.3 per cent respectively of the imports during the same period a year earlier. These, however, constitute a rather small part of the total imports and since the imports from both Brazil and "all others" were so small in 1928-29 season an increase or a decrease of a few thousand bales makes a large percentage increase or decrease.

Table 7 - France: Imports of cotton at the port of Havre, June and August 1 - June 30, 1929-1930

Country or origin	During June			From Aug. 1 - June 30		
	1929	1930	Percentage: 1930 is of 1929	1928-29	1929-30	Percentage: 1929-30 is of 1928-29
	1,000 bales 1/	1,000 bales 1/	Per cent	1,000 bales 1/	1,000 bales 1/	Per cent
United States	20,150	10,668	52.9	767,574	854,670	111.3
Brazil.............	42	208	495.2	1,711	12,651	739.4
Egypt..............	277	1,416	511.2	7,831	4,884	62.4
French possessions.	5,276	3,851	73.0	19,602	34,605	176.5
India..............	8,034	4,257	53.0	35,476	42,911	121.0
Turkey....	286	1,107	387.1	6,960	12,476	179.3
Others.............	7,075	5,004	70.7	5,438	45,697	840.3
Total	41,140	26,511	64.4	844,592	1007,894	119.3

1/ Bales of 478 pounds net.

Spinners' takings in Continental Europe 1/

Continental spinner demand for raw cotton, in spite of unfavorable development of mill sales and activity, has retained its recent improvement through June and early July in both the central and western European countries, although Italy continued to buy very reservedly. The buying of central and western European spinners has centered chiefly in the near months, though interest in more distant shipments and deliveries of new crop cotton has been developing, these tendencies applying both to actual purchases and price fixing. The better tone of spinner demand for raw material reflects low stocks in spinners' hands and growing confidence in present price levels, but really large buying has failed to develop. The European cotton trade c. i. f. buying continues to be of medium size with business confined mostly to bargain offers, and spot transactions have remained small up to the present.

1/ From Agricultural Commissioner Steere's report.

The volume of takings of American cotton by continental spinners remained unusually small through early July - much below any time since 1925-26. As takings in the last two months have apparently leveled out at a figure somewhat below actual consumption, it appears that the low point has about been reached. The present volume of takings clearly indicates a considerably reduced continental demand for cotton when average seasonal prices are considered, as with prices for August - June 1926-27 averaging only two cents below August - June this year, continental spinner takings in that period were 1, 700,000 bales above those for the corresponding period this season.

Table 8 - Continental spinners' takings: American Cotton during specified periods, 1925-26 to 1929-30

Period	1925-26	1926-27	1927-28	1928-29	1929-30
	1,000 bales 1/	1,000 bales 1/	1,000 bales 1/	1,000 bales 1/	1,000 bales 1/
Four weeks ended					
Nov. 29..........	461	473	443	424	434
Dec. 27..........	497	544	457	436	415
Jan. 24..........	408	449	465	454	406
Feb. 21..........	412	680	397	361	380
Mar. 21..........	377	539	412	477	364
Apr. 18..........	284	463	376	332	304
May 16..........	308	524	404	337	256
June 13..........	283	443	377	417	245
July 11..........	282	516	411	304	245
Aug. 1 - July 11 ..	4,220	5,755	5,135	4,734	4,014

1/ Bales of 478 pounds net.

TEXTILE SITUATION

United States

Textile activity in the United States during both June and July proved to be very low. The cotton goods markets have been rather quiet with hand-to-mouth purchases apparently continuing in spite of the low price level.

According to the Bureau of the Census, mill consumption in the United States during July amounted to 378,835 bales or 26,346 bales less than in June and 168,330 bales less than July 1929. This was the lowest for any month since August 1924. Consumption for the season 1929-30 totaled 6,113,9[illegible] bales compared with 7,091,065 bales during the season 1928-29.

As may be seen from the accompanying Table, the average weekly production of cotton cloth for July as reported by the Association of Cotton Textile Merchants of New York was the lowest since October 1927. Sales, however, during July showed considerable improvement over June and were 8.6 per cent above production which resulted in a decrease in stocks on July 31 of 2.3 per cent from the previous month. Unfilled orders increased 1.6 per cent from the low level at the end of June.

According to trade reports considerable curtailment took place during July and continues into the first part of August. Some mills which were completely closed during the week end of July 4th and 5th extended their holiday periods throughout the following week.

Table 9.Cotton cloth: Average weekly production, sales, shipment, also stocks and unfilled orders at end of month, 1927-28 to 1929-30

Year and month	Production per week	Sales per week	Ratio of sales to production	Shipments per week	Ratio of shipments to production	Stocks end of month	Unfilled orders end of month	Change in stocks	Change in unfilled orders
	1,000 yards	1,000 yards	Per cent	1,000 yards	Per cent	1,000 yards	1,000 yards	Per cent	Per cent
1927-28:									
Oct. 1/	82,964	56,390	68.0	73,353	88.4	257,011	433,447	-	-
Nov....	80,405	48,468	60.3	71,524	89.0	292,535	340,221	13.8	- 21.3
Dec....	74,408	74,916	100.7	65,615	88.2	336,501	386,726	15.0	13.7
Jan....	74,417	48,528	65.2	66,737	89.7	367,223	313,893	9.1	- 18.8
Feb....	75,081	64,082	85.4	71,351	95.0	382,142	284,817	4.1	- 9.3
Mar....	71,605	69,971	97.7	67,515	94.3	402,594	297,099	5.4	4.3
Apr....	71,501	83,779	117.2	67,543	94.5	418,427	362,044	3.9	21.9
May....	69,865	53,969	77.2	65,249	93.4	441,506	305,645	5.5	- 15.6
June...	71,954	66,756	92.8	67,586	93.9	458,984	302,328	4.0	- 1.1
July...	55,456	46,837	84.5	54,385	98.1	463,270	272,227	.9	- 10.0
1928-29:									
Aug....	60,494	68,162	112.7	64,815	107.1	441,667	288,964	- 4.7	6.1
Sept...	63,422	96,768	152.6	69,528	109.6	417,215	393,005	- 5.5	37.7
Oct....	71,225	122,988	172.7	76,850	107.9	394,742	492,556	- 5.4	23.8
Nov....	68,368	75,033	109.7	69,590	101.8	388,634	519,770	- 1.5	5.5
Dec....	69,802	56,297	80.7	69,024	98.9	391,743	468,361	.8	- 9.8
Jan....	68,561	63,416	92.5	69,071	100.7	389,195	440,585	- .7	- 6.0
Feb....	73,218	85,177	116.3	77,200	105.5	372,950	472,176	- 4.2	7.2
Mar....	74,498	89,503	120.2	81,408	109.3	345,311	504,876	- 7.[illegible]	6.9
Apr....	70,970	50,630	71.3	69,274	97.6	352,091	430,298	2.0	- 14.8
May....	63,274	55,367	81.5	65,324	95.5	367,340	382,512	4.3	- 11.1
June...	71,482	57,061	79.8	63,002	88.1	401,260	358,748	9.2	- 6.2
July...	58,610	65,722	112.1	63,195	107.8	382,920	368,858	- 4.6	2.8
1929-30:									
Aug....	61,508	62,527	101.7	65,280	106.1	364,080	355,095	- 4.9	- 3.7
Sept...	71,653	92,071	129.6	71,907	100.[illegible]	345,043	438,952	- 5.2	23.6
Oct....	70,766	55,549	78.5	66,362	93.8	362,657	395,690	5.1	- 9.9
Nov....	69,029	44,582	64.6	55,275	80.1	431,426	342,232	19.0	- 13.5
Dec....	60,934	75,734	124.3	53,537	87.9	461,013	431,018	6.9	25.9
Jan....	64,657	58,407	90.3	66,296	102.5	452,619	391,571	- 1.8	- 9.2
Feb....	66,712	60,965	91.4	68,633	102.9	445,125	360,319	- 1.7	- 7.8
Mar....	65,351	73,062	111.8	66,419	101.6	440,853	337,[illegible]	- 1.0	7.4
Apr....	64,311	55,306	86.0	63,340	98.5	444,736	357,320	.9	- 7.8
May....	55,160	36,895	66.9	54,011	97.9	450,401	271,7[illegible]	1.3	- 24.0
June...	49,635	32,467	65.5	45,663	92.0	460,3[illegible]	21[illegible]	3.5	- 19.4
July...	41,462	45,037	108.6	44,172	106.5	455,529	222,[illegible]	- 2.3	1.6

Reports of the Association of Cotton Textile Merchants of New York.

1/ No comparable data prior to October 1927.

The outstanding firms interested in the export of cotton textiles were reported on July 15 to have launched an association under the Webb-Pomerene Act to be known as the Textile Export Association of the United States. Eleven houses have already signed for membership and the first meeting was to be held August 5. The activities of the association will probably be confined, at present, to securing uniformity in terms of payments on exports, so the report states.

Great Britain

Cables during most of July indicate that the conditions in Great Britain continued unsatisfactory. Yarn and cloth business was reported poor with the curtailed production not being sold and additional machinery was being stopped. Much depends upon the political situation in India as to the future prospects. Yarn and cloth demands increased and prospects were reported better during the week ended July 25 with sales to China larger. This improvement is also reported to have continued throughout the week ended August 1. Exports of cotton piece goods for June of 158.7 millions of square yards were lower than for any month since June 1921, and the exports of cotton yarns during June which amounted to 9.7 million pounds were lower than any month since July 1923. July exports of both piece goods and yarns were considerably above June but are still at rather low levels.

Table 10. Great Britain: Exports of cotton piece goods, by months, 1919-20 to 1929-30

Year	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Total
	Million square yards	Million square yards	Million square yards	Million square yards	Million square yards	Million square yards	Million square yards	Million square yards	Million square yards	Million square yards	Million square yards	Million square yards	Million square yards
1919-20	331.2	277.8	393.2	376.6	392.9	414.8	312.0	397.1	423.8	413.5	405.8	395.2	4,563.7
1920-21	366.5	382.1	304.9	342.9	248.0	249.4	244.7	231.9	186.8	145.6	152.6	177.5	3,032.9
1921-22	212.4	265.4	312.4	363.6	330.3	339.1	252.0	303.9	302.6	341.4	311.9	413.6	3,808.6
1922-23	376.0	395.8	353.7	398.7	360.5	400.0	342.6	337.4	316.3	410.0	300.7	316.1	4,309.8
1923-24	329.9	314.3	371.3	349.7	323.1	354.0	397.1	354.0	377.7	394.5	346.8	383.8	4,326.2
1924-25	373.6	360.0	334.3	329.5	409.6	402.8	422.3	416.3	333.4	371.0	338.0	370.8	4,491.9
1925-26	344.2	359.8	366.3	325.9	382.2	356.1	366.4	403.2	281.8	304.2	328.3	359.6	4,178.3
1926-27	297.9	311.7	307.7	277.6	239.8	322.5	298.8	395.9	316.9	413.6	350.1	355.2	3,845.5
1927-28	362.9	339.0	312.1	402.2	290.6	337.4	316.2	397.4	314.8	288.9	277.9	358.6	3,978.0
1928-29	341.3	298.2	334.0	331.4	290.5	379.3	326.1	354.0	349.4	321.5	223.9	355.4	3,905.0
1929-30	321.3	237.5	265.8	284.0	275.6	313.2	299.5	281.3	217.0	218.0	158.7	197.4	3,067.5
1930-31													

According to Board of Trade Returns.

Table 11. Great Britain: Exports of cotton yarn, by months, 1919-20 to 1929-30

Year	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Total
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
19-20	15.6	12.6	14.3	13.5	14.9	16.5	11.9	10.1	11.1	14.3	14.8	15.5	164.9
20-21	12.9	11.6	10.4	11.0	7.7	7.2	8.5	8.8	8.9	8.6	8.7	9.0	113.3
21-22	15.3	15.7	18.6	20.6	16.0	14.8	14.9	18.8	21.3	20.8	15.7	19.9	212.4
22-23	15.4	16.8	16.0	15.1	11.7	12.8	10.9	13.0	10.9	12.6	10.0	9.5	154.7
23-24	12.8	12.0	14.7	14.6	11.1	11.0	14.1	13.2	16.1	18.0	15.1	12.7	165.4
24-25	11.9	11.3	13.5	12.8	13.5	15.9	16.0	17.9	16.6	17.2	13.3	14.0	173.9
25-26	15.0	13.9	17.9	13.9	17.9	16.8	15.7	16.0	14.4	10.6	14.4	12.4	178.9
26-27	12.5	12.1	13.5	15.3	14.8	15.9	14.3	19.3	17.3	22.8	17.2	14.0	189.0
27-28	16.6	15.8	15.3	17.4	14.5	14.9	14.5	15.5	13.8	14.1	14.4	11.4	178.2
28-29	15.8	11.2	15.1	15.4	13.2	16.9	13.7	13.5	13.1	16.0	12.3	15.0	171.2
29-30	15.3	10.2	13.5	12.5	13.5	13.2	12.2	12.7	11.5	12.4	9.7	10.4	147.1
30-31													

cording to Board of Trade Returns.

Continental Europe 1/

Mid-July has brought practically no change in the unsatisfactory conditions that exist in the cotton textile industry in most parts of Continental Europe. Mill consumption of raw cotton remains very much restricted, taking the Continent as a whole, with the tendency still continuing slowly downward, and orders apparently are still low.

The volume of new business booked by spinners and weavers in recent weeks has continued much restricted in both Central Europe and Italy, and the western European countries also report a materially reduced flow of new bookings, though unfilled orders on hand remain quite satisfactory in France, where cloth mills have been able to maintain relatively better sales than spinning establishments. Textile plants in the Danube-Balkan States continue to do good business.

Activity in cotton spinning and weaving establishments has shown a further decline in recent weeks, considering the Continent as a whole, as a result of the slow but steady reduction in orders booked by mills. The drop in activity has been relatively greater in Central Europe than elsewhere, but Italy has also reduced working hours, and a slight decline in occupation is reported from France.

Germany

Unfavorable conditions still prevailed in the German cotton textile industry as of the end of July. Spinning mills have had slightly better sales in recent weeks following reductions in prices, but this new business is not large. Weaving establishments have experienced a further decline in the amount of new orders placed, though some spotted improvement of business in light summer goods has occurred.

As a result of the continuation of these unfavorable conditions, the central organization of German cotton spinners has recommended a uniform reduction of spinning activity to a level of two thirds of single shift capacity (9-hour day) effective August 1. As present occupation of German mills on the whole appears to be around 70 per cent of single shift capacity on the basis of a 9-hour day, the average reduction would not be particularly significant. On an 8-hour day basis, the recommendation means a reduction to a level equivalent to 75 per cent of single shift capacity, with present activity of the industry figuring at about 80 per cent. It is thought possible that some spinning mills will follow these recommendations in view of present conditions. German weaving establishments have also curtailed activity slightly in recent weeks.

Spinner buying of raw cotton in Germany, as in most other parts of the Continent, picked up during June and most of July. It continues to appear that a good demand would spring up in the event greater firmness in raw material should develop. Among the recent developments in the cotton industry in Germany is a tendency toward amalgamation which has become apparent in recent months. A number of consolidations and reorganizations have occurred, of which at least one has been relatively important. The difficult conditions faced by the industry for many months past are doubtless responsible for this tendency.

1/ Based on report dated July 17, 1930 from Agricultural Commissioner L. V. Steere at Berlin.

Austria and Czechoslovakia

Reports from Austria and Czechoslovakia indicate no change in the unsatisfactory situation in the cotton textile industry, and occupation in the mills is still receding. According to reports from Czechoslovakia, efforts are being made to re-establish the spinners' syndicate and to carry out a uniform reduction of 25 per cent in spinning activity. Czechoslovakian textile mills hope to benefit from a prospective reduction of import duties on cotton goods in Rumania through a new commercial treaty, but this is a favorable factor of no great weight when conditions are as poor as at present.

Hungary and Yugoslavia

Hungarian and Yugoslavian textile mills, with their advantages of good tariff protection and a market whose demands cannot be supplied by home production, are maintaining very satisfactory sales of textile goods and favorable levels of mill occupation, though yarn business is reported somewhat quieter in recent weeks.

France

France reports well sustained levels of activity in both spinning and weaving branches of the cotton industry, though a slight tendency to reduce output seems to be indicated. June occupation in the mills was apparently slightly lower than in the months immediately preceding. Spinners are reported as attempting to reach some agreement on the reduction of working hours because of the tendency of yarn stocks to increase. Sales of yarn have been growing slower and for some weeks are indicated to have been below current levels of production.

As often pointed out previously, however, the French cotton industry faces an important problem in the retention of its skilled labor whenever unemployment occurs because the relative shortage of labor in France in recent years makes transfers to other work easy. Spinners are forced, therefore, to go to unusual lengths to supply employment, as is indicated by the industry's policy of producing for stock when actual sales prospects often do not warrant. This problem of retaining labor has been becoming more acute in the past year as the reduction in young workers as a result of the sharp drop in the birth rate during the war has begun to make itself apparent on the labor market. The French spinners' syndicate in a recent statement has attributed a change in the number of spindles idle in France from 3 per cent in January 1929 to 6 per cent in April 1930, and the number of looms idle from 10 per cent to 13 per cent for the same months to this decline in the labor supply.

Italy

Italian cotton reports indicate no change in tendencies previously reported; sales of yarn and goods are unsatisfactory, stocks of both products rising slightly, and mill activity tending downward, present occupation standing at about 10 per cent below a year ago at this time.

Unfilled orders for yarn held by spinners are considerably below those of last year, and the volume of new sales remains somewhat below current production

Poland

The cotton situation in Poland shows further indications of consolidation, according to latest available reports. The output of yarn and cloth has been kept restricted, and orders have apparently increased to a level high enough to absorb current production. The present level of mill activity and textile sales is, of course, unsatisfactory from the standpoint of a raw cotton consumption, but the curtailment of output and the reduction of burdensome goods stocks has undoubtedly contributed materially toward the improvement of future prospects.

Japan

The severe depression in the Japanese cotton industry continues, says Consul Dickover at Kobe. Yarn production during June dropped to 213,000 bales, a decrease of 15,000 bales compared with May. July yarn production is estimated at 108,000 bales. The price of Japanese 20s was around 15½ cents on July 22 as compared with 15 cents on June 20. This price is said to represent a loss of about two dollars per bale to the mills. General opinion yarn production will decline further. Cloth exports during June amounted to 95,000,000 square yards as compared with 126,000,000 in May. This volume of exports, however, is fair considering the unfavorable conditions in China and India.

China

According to Agricultural Commissioner Nyhus at Shangai, the accumulation of yarn stocks and a slow market has caused a number of mills in Shangai to abandon night work and to curtail spinning operations. Deliveries of yarn are quite substantial, however, and there is firm belief in a quick recovery in the outlet for yarn at the present relatively low prices upon an improvement in political condition in the interior.

The Japanese section of the industry continues to be sold out well forward and have recently made some purchases of low grade American cotton.

Selling prices or volume of sales in the piece goods market have not made substantial improvement. Prices during July in many lines were so much below replacement cost at present exchange rates that holders of stocks have been insisting on higher values. Japanese mills have sold greys and whites at these price levels, but the disparity is great between local and Manchester prices.

On July 21 Hankow Standard cotton August delivery sold at 9.92 cents per pound, and American middling seven eighths inch August shipment c.i.f., 15.37 cents per pound.

India

The political crisis and unfavorable economic conditions have caused the Indian piece goods markets to be unusually quiet and some cotton mills are closing down.

Peru

The prevailing economic depression appears to be increasing in severity by collections becoming slower and more difficult. There is less direct importing by small firms who instead are buying on a hand-to-mouth basis from wholesalers stocks. In point of value, United States exports to Peru during the first four months of 1930 were 31 per cent below shipments during the corresponding period of last year. Imports from Europe were curtailed; for example, receipts of Great Britain piece goods were off 40 per cent. Domestic textile mills are operating on a four-day week schedule. (Cable from Commercial Attache, Charles H. Cunningham, Lima, June 27.)

Philippine Islands

General conditions in the Philippine textile market remained unfavorable from the standpoint of importers of American textiles and some of the leading importers are said not to be very optimistic about the immediate future. In contrast dealers in Japanese textiles continue to to a good business at a reported profit. At present American goods are difficult to move. (Radiogram from Trade Commissioner, E. D. Hester, Manila, July 17.)

PRODUCTION, ACREAGE AND CROP CONDITION REPORTS

United States

Production estimate

A United States cotton crop of 14,362,000 bales is indicated by the August cotton report of the Department of Agriculture. Condition is reported at 62.2 percent of normal, as compared with 69.6 percent a year ago and a 10-year average of 67.2 percent. The indicated yield per acre is 155.3 pounds, which is slightly above last year and the 10-year average. This indicated production of 14,362,000 bales compares with a production of 14,828,000 bales for the season 1929-30 and 14,478,000 bales for the season 1928-29.

During July, unusually hot, dry weather prevailed in most of the belt from Alabama west, amounting to severe drouth in many sections. Curtailment of the crop from this cause was particularly severe in Arkansas and Louisiana where the forecasts are approximately 23 percent below last year's production. Mississippi, Oklahoma, Alabama, Tennessee, and Missouri are other States affected by drouth with prospects below last year. Should the hot, dry weather continue in these States further deterioration in crop prospects will result. On the other hand, should rain come, more than average improvement is likely to result because of the relatively small number of weevils present. The forecast in Texas is approximately 550,000 bales above the short crop of 1929. The South Atlantic States have had ampler rainfall and prospective production is larger than the crop produced last year. Because boll weevils are relatively more numerous in this section than elsewhere, frequent rains hereafter are more likely to be injurious than beneficial.

The crop in most of the belt is a few days earlier than last year, and considerably earlier than in 1928. Fruiting is more advanced than last year in the Carolinas, Georgia, Tennessee, and Texas, but is less advanced in other major States.

In interpreting condition as an indication of probable yields, the Board has made allowance for probable loss due to boll weevil on the basis of reports received to date concerning weevil presence and activity. These reports indicate that if usual weather prevails during the remainder of the season, weevile damage will be less than last year in every State and for the United States as a whole, and will be about equal to the damage in 1924 and 1926. In those years reduction in yield per acre attributed to weevil damage was 8.1 per cent and 7.1 per cent, respectively. During the last ten years, in only one year, 1925, when weevil damage was reported to have been 4.1 per cent, has the damage from this cause been less than in the years 1924 and 1926, and less than the indicated probable loss in 1930. Low temperatures during the winter months and dry hot weather during June and July materially reduced the number of weevils from Alabama west to Oklahoma and prospective damage in this area is much below last year and is similar to 1924. In the Southeastern States the indicated loss from weevils is slightly less than reported last year and similar to 1928.

Table 12- 1930-31 U. S. Cotton Crop: August 1 condition, indicated yield and estimated production

STATE	AREA IN CULTIVATION JULY 1, 1930 LESS 10-YEAR AV. ABANDONMENT	AUG. 1 CONDITION 10-yr av. 1919-1928 1/	AUG. 1 CONDITION 1929	AUG. 1 CONDITION 1930	YIELD PER ACRE 10-yr. av. 1919-1928	YIELD PER ACRE 1929	YIELD PER ACRE Indicated 1930 2/	PRODUCTION (Ginnings) 500 lb. gross wt. bales 1929 Crop 3/	PRODUCTION 1930 Crop Indicated by Condition Aug. 1
	1,000 acres	Per cent	Per cent	Per cent	Lbs.	Lbs.	Lbs.	1,000 bales	1,000 bales
Va.	83	74	77	72	246	258	230	48	42
N.C.	1,696	73	68	74	255	190	220	747	782
S.C.	2,145	62	68	74	175	179	207	830	930
Ga.	3,681	61	69	71	134	171	174	1,343	1,340
Fla.	100	64	70	72	106	145	140	29	29
Mo.	365	73	81	64	249	308	200	220	153
Tenn.	1,200	72	81	61	182	217	185	515	464
Ala.	3,590	65	71	62	146	174	160	1,342	1,201
Miss.	4,202	68	76	60	176	230	185	1,915	1,626
La.	2,013	63	69	54	152	133	150	809	632
Tex.	16,835	65	64	61	135	108	128	3,940	4,496
Okla.	3,803	72	72	60	155	128	135	1,143	1,072
Ark.	3,920	72	73	46	167	178	135	1,435	1,106
N.Mex.	119	4/ 85	86	89	4/288	333	390	90	97
Ariz. 5/	209	91	86	92	291	324	371	153	162
Calif.	268	93	86	92	293	402	399	260	224
All other	18	-	81	70	4/188	227	170	9	6
U.S. TOTAL	44,252	67.2	69.6	62.2	155.1	155.0	155.3	14,828	14,362
Lower Calif. (Old Mex.) 6/	101	-	85	-	-	244	-	75	55

1/ Prior to 1924 interpolated from July 25 and August 25 reports.
2/ Indicated by condition August 1, on area in cultivation July 1, less 10-year average abandonment.
3/ Allowances made for cross State ginnings.
4/ Less than a 10-year average.
5/ Including Pima Egyptian long staple cotton, 46,000 acres and 28,000 bales.
6/ NOT included in California figures NOR in United States total.

Weather report

The accompanying Table gives the temperature and rainfall in terms of departures from normal by weeks for the four weeks ended August 5 at stations throughout the cotton belt. From this it may be seen that with the exception

of the week ended July 22 the temperature ran uniformly above normal for practically every station reporting and rainfall was generally below normal in most districts.

Table 13.- Temperature and rainfall for the four weeks ended August 5, 1930
(Departures from normal) 1/

Stations	July 15		July 22		July 29		Aug. 5	
	Temperature	Rainfall	Temperature	Rainfall	Temperature	Rainfall	Temperature	Rainfall
	Degrees	Inches	Degrees	Inches	Degrees	Inches	Degrees	Inches
N.C.								
Charlotte	+ 6	- 0.3	- 3	+ 0.9	+ 5	- 1.2	+ 3	- 1.3
Raleigh	+ 1	+ 0.2	- 1	- 0.1	+ 5	+ 0.3	+ 1	- 0.5
S.C.								
Charleston	+ 6	- 0.4	0	+ 0.6	+ 4	- 0.2	0	0.0
Greenville	+ 8	+ 0.4	- 3	- 0.5	+ 7	- 0.7	+ 3	- 0.6
Columbia	+ 5	+ 0.2	- 4	+ 0.7	+ 4	- 0.3	0	- 0.4
Ga.								
Augusta	+ 7	- 0.8	- 3	+ 0.1	+ 4	- 0.1	0	+ 0.2
Atlanta	+ 8	- 0.7	- 2	- 0.3	+ 5	- 0.7	+ 4	+ 1.2
Macon	+ 6	+ 0.9	- 2	+ 0.9	+ 2	+ 3.8	- 1	- 0.9
Savannah	+ 4	- 1.0	0	+ 3.2	+ 3	- 1.6	0	+ 0.4
Thomasville ...	+ 4	- 1.5	- 1	+ 1.4	0	+ 0.8	- 2	+ 0.8
Ala.								
Mobile	+ 5	- 1.1	+ 2	- 1.5	+ 3	- 1.1	+ 3	- 1.3
Montgomery	+ 7	- 0.6	+ 1	- 1.1	+ 3	+ 0.8	+ 2	- 0.9
Anniston	+10	- 0.8	+ 2	- 0.9	+ 5	+ 1.4	+ 4	- 1.1
Birmingham	+ 8	- 0.2	+ 2	- 1.2	+ 5	+ 0.6	+ 5	- 1.0
Miss.								
Meridian	+ 8	0.0	+ 1	- 1.1	+ 3	+ 0.5	+ 4	- 1.1
Vicksburg	+ 6	- 1.0	0	- 1.2	+ 3	- 0.9	+ 5	- 0.9
La.								
New Orleans ...	+ 3	- 0.4	+ 1	- 1.5	+ 2	0.0	+ 2	+ 0.9
Shreveport	+ 5	- 0.6	+ 2	- 1.0	+ 6	- 0.9	+ 5	- 0.7
Ark.								
Little Rock ...	+ 8	- 0.7	+ 3	- 0.9	+ 8	- 0.8	+ 6	- 0.8
Fort Smith	+ 6	- 0.9	+ 2	- 0.7	+ 8	- 0.7	+ 6	- 0.4
Bentonville ...	+ 1	- 0.9	+ 1	- 1.0	+ 6	+ 0.8	+ 1	0.0
Okla.								
Oklahoma City .	+ 3	- 0.7	+ 3	- 0.7	+ 6	- 0.6	+ 5	+ 0.1
Tex.								
Abilene	+ 1	- 0.5	+ 2	- 0.5	+ 4	- 0.4	+ 4	- 0.4
Fort Worth	+ 2	- 0.6	+ 1	- 0.7	+ 4	- 0.5	+ 6	- 0.5
Dallas	- -	- 0.7	- -	- 0.6	- -	- 0.6	- -	- 0.5
Palestine	+ 3	- 0.4	+ 2	- 0.6	+ 3	- 0.6	+ 3	- 0.5
Taylor	+ 1	- 0.4	+ 2	- 0.5	+ 2	- 0.5	+ 4	- 0.4
Houston	0	- 1.0	0	+ 0.5	+ 2	- 0.4	+ 2	- 0.6
Corpus Christi.	- 1	+ 0.2	+ 1	+ 0.4	0	- 0.2	+ 1	- 0.4
San Antonio ...	- 2	+ 1.7	+ 1	- 0.5	+ 1	- 0.5	+ 3	- 0.1
Brownsville ...	- 2	- 0.1	0	- 0.3	- 1	- 0.4	+ 1	- 0.2
Tenn.								
Memphis	+ 3	- 0.6	+ 3	- 0.6	+ 7	- 0.6	+ 4	- 0.8
Nashville	+ 6	+ 0.1	+ 2	- 0.8	+ 8	- 0.5	+ 4	- 0.9
Chattanooga ...	+ 5	- 0.9	+ 1	- 0.8	+ 6	- 0.1	+ 4	- 1.0

1/ - Below normal. + Above normal.

Russia

July 10 information from Soviet Russia states that a total of 4,366,257 acres had been planted to cotton as of June 25, in comparison with 2,559,956 acres in 1929; this means an increase of 70 per cent. The hoeing of cotton, however, is reported influenced unfavorably by the shortage of labor and press reports already show concern as to the coming cotton picking campaign. It should be remembered that some of last year's cotton crop remained unharvested in consequence of the shortage of labor, so that this problem may become important this year when a much larger crop will have to be dealt with. Exceptionally hot weather was reported from Middle Asia at the beginning of July, but as yet no information is available as to its influence on the cotton plant. (Commissioner Steere).

Egypt

According to the International Institute of Agriculture at Rome the preliminary estimate of the area planted to cotton in Egypt for the 1930-31 season is 2,162,000 acres. This is a 13 per cent increase over the 1,912,000 acres planted last year. Of this acreage for 1930-31, 869,000 acres are planted in the Sakellaridis variety and 1,292,000 acres in other varieties. The condition of Sakellaridis at the beginning of August was estimated at 98 per cent and other cotton at 106 per cent. Last year the estimate was 99 and 103 per cent respectively. The average for the same date during the past ten years is equal to 100 per cent.

World production

The accompanying Table gives cotton production by countries for the last four years compared with post-war and pre war averages. The production of cotton in the United States has varied considerably during the 21 years period covered by this Table. The trend, however, has been somewhat upward. The average production during the first five years was 13.0 million bales where as the average for the last five years beginning 1925-26 was 15.5 million bales or an increase of 19.2 per cent. India has increased from 3.6 million bales to 4.7 million bales or an increase of 30.5 per cent during this period when the averages of the same five year periods are compared. Egypt the next important cotton producing country has increased from 1.5 million bales to 1.6 million bales or a 6.7 per cent increase when measured on this same basis.

Brazil has increased its production about 158,000 bales or 40 per cent during this period. Both Chosen and Anglo-Egyptian Sudan, though of less importance, have steadily increased their production since 1909-10.

A comparison of similar averages for the estimated World total excluding China (using 24.4 million bales as a preliminary estimate for the world total excluding China for the season 1929-30) shows that there has been an increase from 20.1 million bales to 24.7 million bales or 22.9 per cent increase.

The trend of production in Russia for eight years beginning 1914-15 was decidedly downward, but since that time there has been a steady increase until at present the production is well over the million bale mark. This puts Russia fifth in production.

Cotton: Production of lint in specified countries, 1909-10 to 1929-30 - Continued

1919-20	1920-21	1921-22	1922-23	1923-24	1924-25	1925-26	1926-27	1927-28	1928-29	1929-30	
Bales 1/	Bales 1/	Bales 1/	Bales 1/	Bales 1/	Bales 1/	Bales 1/	Bales 1/	Bales 1/	Bales 1/	Bales 1/	
11,421,000	13,440,000	7,954,000	9,755,000	10,140,000	13,628,000	16,104,000	17,977,000	12,955,000	14,478,000	14,828,000	(1)
2/ 199,000	2/ 188,000	147,030	201,540	175,380	196,332	200,476	359,820	179,238	278,000	235,000	(2)
---	32,992	---	---	47,280	32,000	32,000	32,000	32,000	32,285	---	(3)
---	---	---	3/ 11,300	3/ 11,200	12,456	15,912	24,906	11,207	---	---	(4)
154,774	177,041	186,109	198,875	212,140	211,522	204,308	246,168	245,615	3/ 210,000	---	(5)
1,426	3/ 3,072	3,607	4,312	11,079	3/ 11,500	3/ 6,100	3/ 6,340	3/ 5,800	3/ 5,097	---	(6)
460,515	476,264	504,000	553,000	576,000	605,134	601,520	512,395	505,049	553,456	---	(7)
891	958	2,616	5,844	16,265	12,222	11,481	10,625	---	---	---	(8)
14,284	25,533	16,129	25,994	58,846	70,711	133,844	60,419	101,467	3/ 180,000	---	(9)
4/ 15,229	4/ 9,132	4/ 21,533	15,505	4/ 15,500	4/ 16,630	4/ 83,035	22,604	20,419	21,929	---	(10)
732	1,400	921	1,046	1,020	1,900	1,891	1,373	960	1,335	---	(11)
4,685	5,154	3,118	5,555	5,329	4,579	4,395	4,281	4,245	3/ 5,000	---	(12)
---	1,037	239	259	203	385	580	385	190	218	345	(13)
10,224	6,840	5,387	8,377	11,135	14,220	14,609	17,759	12,571	14,875	---	(14)
993	1,212	1,121	964	1,320	1,247	2,068	2,309	3,457	3,000	4,400	(15)
287	223	487	161	100	480	655	424	287	453	---	(16)
---	---	---	218	314	1,154	1,108	3,599	2,553	3,078	---	(17)
370	500	430	392	793	2,387	5,583	7,642	4,086	6,164	8,000	(18)
4/ 667	4/ 1,948	4/ 1,274	4/ 1,448	4/ 1,483	3,943	6,549	4,718	3,920	---	---	(19)
960	282	326	914	1,211	3,727	6,314	6,743	5,457	---	---	(20)
4/ 176	4/ 115	4/ 172	346	375	404	2,237	2,315	2,306	1,845	---	(21)
4/ 8	4/ 94	1,660	2,075	1,199	1,845	1,605	2,629	2,306	4,243	---	(22)
4/ 718	4/ 293	4/ 310	5,535	4/ 389	7,462	6,065	1,755	3,920	---	---	(23)
---	---	---	231	4,612	10,972	12,683	3,044	4,059	4,704	---	(24)
---	---	---	---	---	2,740	2,767	2,767	4,280	---	---	(25)
1,155,000	1,251,000	902,000	1,391,000	1,353,000	1,507,000	1,650,000	1,586,000	1,261,000	1,672,000	1,725,000	(26)
19,381	25,539	20,145	23,687	38,221	40,665	106,460	131,007	110,573	141,747	137,359	(27)
4/ 2,969	4/ 2,152	4/ 94	1,196	1,750	2,305	2,537	2,767	3,828	7,034	8,000	(28)
4/ 115	4/ 179	4/ 179	692	1,384	2,767	1,845	2,767	1,384	1,845	---	(29)
3/4/ 53	3/4/ 40	3/4/ 12	3/4/ 77	3/ 837	3/ 1,250	---	3/ 84	3/ 84	3/ 196	---	(30)
1,684	2,546	4,521	6,964	15,833	13,836	16,142	22,539	27,557	---	---	(31)
84	418	460	1,004	1,674	4/ 1,883	4/ 1,712	4/ 1,031	4/ 544	3/ 600	---	(32)
13,556	26,360	12,632	14,082	21,368	32,750	40,091	22,982	17,498	28,452	33,469	(33)
4/ 904	4/ 1,889	4/ 3,456	---	---	3,067	2,758	3,776	2,012	1,992	---	(34)
39,912	81,998	40,410	73,678	107,619	164,046	151,344	110,231	116,000	164,000	100,412	(35)
4/ 3,410	4/ 2,402	6,132	6,004	9,568	15,726	18,179	20,318	18,467	22,931	28,673	(36)
1,651	2,849	3,854	4,529	3,377	5,538	6,459	4,165	2,336	3,740	---	(37)
---	---	---	2	1,179	4,010	5,160	461	72	300	---	(38)
29	84	67	85	397	409	414	80	44	---	---	(39)
---	948	1,041	1,504	5,955	2,496	2,230	11,952	14,732	5,650	---	(40)
1,628	2,245	1,762	5,460	7,300	14,172	17,055	8,571	9,216	10,230	3/ 14,000	(41)
4,552	3;327	3,130	3,538	4,598	7,388	5,677	7,661	---	---	---	(42)
1,097	2,024	1,918	1,259	1,680	2,557	2,556	3,598	1,766	1,796	---	(43)
---	---	3/ 30,000	3/ 30,000	57,000	78,400	105,172	97,000	179,412	---	---	(44)
---	---	1,400	3,700	8,300	9,685	13,421	7,760	10,700	4,174	7,000	(45)
81,000	58,000	43,100	55,300	196,400	453,281	781,757	773,916	993,915	1,137,000	1,351,000	(46)
---	---	50	251	837	2,092	2,125	2,929	1,500	4,287	6,695	(47)
94,100	104,600	---	---	---	4/ 59,171	4/ 83,632	4/ 84,610	75,007	120,503	---	(48)
4,853,000	3,013,000	3,752,000	4,245,000	4,320,000	5,095,000	5,201,000	4,205,000	4,990,000	4,863,000	4,402,000	(49)
2,518,000	1,883,000	1,514,000	2,318,000	1,993,000	2,178,000	2,102,000	1,742,000	1,875,000	1,844,000	---	(50)
3,976	4,784	3,447	2,884	2,316	2,785	1,561	1,123	1,100	---	---	(51)
88,768	101,013	82,172	103,410	111,542	122,562	123,214	142,694	133,000	150,000	138,000	(52)
4/ 12,810	4/ 15,134	4/ 11,814	6/ 12,084	6/ 9,086	7/ 7,746	7/ 5,667	7/ 3,285	8/ 4,536	8/ 2,988	---	(53)
---	---	7,038	6,995	7,321	6,421	5,469	4,388	5,500	4,262	---	(54)
5,695	6,457	3,648	5,005	3,062	4,336	4,624	2,747	2,885	---	---	(55)
40	656	2,795	8,796	10,042	12,277	5,692	4,431	8,591	8,240	5,050	(56)
4/ 3,605	1,796	1,590	2,812	1,828	4/ 2,131	3,821	2,348	2,582	---	---	(57)
18,782,000	19,217,000	13,886,000	16,982,000	17,707,000	22,622,000	25,798,000	26,658,000	22,125,000	24,256,000	---	
21,300,000	21,100,000	15,400,000	19,300,000	19,700,000	24,800,000	27,900,000	28,400,000	24,000,000	26,100,000	26,200,000	

1/ Bales of 478 pounds net. 2/ Includes Laguna District and Lower California only. 3/ From an unofficial source. 4/ Exports. 5/ Figures are from the Chinese Economic Bulletin quoting the Chinese Mill Owners' Association. The figures represent the crop in the most important provinces where the commercial crop is grown. 6/ Annam and Cambodia only. 7/ Annam, Cambodia and Cochinchina. 8/ Annam, Cochinchina and Laos.

Cotton: Production of lint in specified countries, 1909-10 to 1929-30

Country	1909-10	1910-11	1911-12	1912-13	1913-14	1914-15	1915-16	1916-17	1917-18	1918-19
	Bales 1/	Bales 1/	Bales 1/	Bales 1/	Bales 1/	Bales 1/	Bales 1/	Bales 1/	Bales 1/	Bales 1/
1 United States	10,005,000	11,609,000	15,693,000	13,703,000	14,156,000	16,135,000	11,192,000	11,450,000	11,302,000	12,041,000
2 Mexico	127,941	200,455	160,281	240,033	205,395	---	95,391	84,864	63,649	365,713
3 Venezuela	---	---	---	---	---	---	---	---	---	---
4 Colombia	---	---	---	---	---	5,297	5,561	6,276	5,753	6,276
5 Peru	120,000	88,000	96,000	112,000	111,755	128,834	113,460	127,309	125,104	141,533
6 Ecuador	---	---	---	---	---	---	---	---	---	---
7 Brazil	324,288	356,717	360,220	417,971	476,823	464,813	338,660	336,683	413,517	406,459
8 Paraguay	---	---	---	---	---	---	92	92	175	302
9 Argentina	1,923	2,099	1,997	3,099	2,454	3,653	4,086	3,178	12,167	14,053
10 Haiti	4/ 7,379	4/ 9,681	8,750	9,043	8,936	4/ 5,749	4/ 6,680	7,149	6,005	7,393
11 Porto Rico	1,319	---	---	---	---	4/ 569	4/ 653	4/ 738	4/ 379	368
12 British West Indies	4,269	6,124	5,159	5,279	5,032	4,876	3,007	2,642	3,827	4,290
13 Yugoslavia	---	---	---	---	---	---	---	---	---	---
14 Greece	---	---	12,614	---	---	15,265	8,595	6,598	6,189	8,063
15 Bulgaria	783	1,137	917	646	728	562	994	893	761	1,163
16 Malta	379	411	392	512	473	411	384	331	269	263
17 Spain	---	---	---	---	---	---	---	---	---	---
18 Algeria	517	---	---	1,828	1,766	172	4/ 651	4/ 126	504	4/ 222
19 Dahomey	4/ 558	4/ 718	4/ 569	4/ 848	4/ 624	4/ 316	4/ 458	4/ 473	4/ 1,621	4/ 983
20 Ivory Coast 4/	---	---	---	84	339	437	1,649	682	2,002	1,536
21 French Guinea	---	---	---	4/ 3	4/ 167	---	4/ 243	4/ 8	4/ 4	4/ 46
22 Senegal	---	---	---	---	---	---	---	---	4/ 452	4/ 36
23 French Sudan	---	---	---	---	---	---	---	---	---	4/ 632
24 Upper Volta	---	---	---	---	---	---	---	---	---	---
25 Niger Territory	---	---	---	---	---	---	---	---	---	---
26 Egypt	1,036,000	1,555,000	1,530,000	1,554,000	1,588,000	1,337,000	989,000	1,048,000	1,304,000	999,000
27 Anglo-Egyptian Sudan	3/ 12,552	3/ 17,573	3/ 12,552	3/ 11,715	3/ 8,368	3/ 20,084	3/ 13,556	19,456	9,623	10,460
28 Italian Somaliland	4/ 761	4/ 194	4/ 485	4/ 556	4/ 554	4/ 469	4/ 458	4/ 262	4/ 414	4/ 121
29 Eritrea	4/ 860	4/ 1,316	4/ 1,575	5,500	4/ 257	4/ 229	4/ 83	---	4/ 319	4/ 395
30 Gold Coast	3/ 166	3/ 83	3/ 83	3/ 101	3/ 83	3/ 83	3/ 83	3/ 83	3/ 83	3/ 83
31 Belgian Congo	---	---	---	---	---	4/ 13	4/ 52	4/ 105	490	692
32 Kenya	335	418	753	837	418	251	167	167	167	84
33 Nigeria	10,529	5,184	5,607	9,849	12,343	6,276	16,904	9,874	5,105	14,644
34 Angola	4/ 665	4/ 569	4/ 402	4/ 149	4/ 764	4/ 297	4/ 692	4/ 506	4/ 456	4/ 502
35 Uganda	11,588	17,456	22,004	23,414	27,226	21,948	18,274	23,310	23,006	30,569
36 Tanganyika	4/ 2,866	4/ 10,240	4/ 4,973	4/ 13,807	---	---	---	---	---	4/ 3,462
37 Nyasaland	2,845	4,921	4,939	3,864	6,444	6,460	7,397	6,822	5,128	2,107
38 Rhodesia, southern	---	---	---	---	---	---	---	---	---	---
39 " northern	4/ 71	4/ 54	335	251	335	335	251	167	84	47
40 Mozambique	4/ 91	4/ 21	4/ 139	4/ 653	4/ 1,038	4/ 613	4/ 1,337	4/ 2,598	4/ 2,439	4/ 1,073
41 Union of S. Africa	65	29	69	68	150	452	476	477	500	891
42 French Togo	4/ 2,142	2,389	2,537	4/ 2,177	---	1,176	1,776	2,057	719	5,050
43 Cyprus	1,031	1,531	2,169	2,290	2,896	2,849	1,686	1,225	1,293	1,135
44 Turkey, Asiatic	126,536	102,116	---	---	3/ 144,600	---	---	---	---	---
45 Syria and Lebanon	---	---	---	---	---	---	---	---	---	---
46 Russia, Asiatic	---	---	---	---	---	1,270,000	1,512,000	1,199,000	634,000	161,000
47 Iraq	---	---	---	---	---	---	---	---	---	---
48 Persia	---	---	118,200	142,300	148,500	145,400	139,100	99,200	85,800	88,900
49 India	3,998,000	3,254,000	2,730,000	3,702,000	4,239,000	4,359,000	3,128,000	3,759,000	3,393,000	3,328,000
50 China 5/	---	---	---	---	---	---	---	1,534,000	2,092,000	3,059,000
51 Japan	5,630	4,158	4,215	5,057	4,462	4,737	4,840	4,360	4,186	3,926
52 Chosen (Korea)	14,828	13,633	18,403	25,055	30,043	31,156	39,806	40,402	60,863	68,766
53 French Indo China	4/ 9,451	4/ 10,217	4/ 14,459	4/ 25,766	4/ 11,790	14,079	6,434	9,991	4/ 7,573	4/ 5,630
54 Dutch East Indies 4/	---	---	---	---	---	---	---	---	---	---
55 Siam	4/ 2,701	4/ 2,485	4/ 3,021	4/ 3,699	4/ 6,358	6,694	4/ 4,431	4/ 1,571	4/ 734	6,062
56 Australia	90	130	105	24	14	8	17	82	116	26
57 New Hebrides	4/ 38	4/ 303	---	4/ 1,301	4/ 1,673	4/ 2,431	4/ 2,694	4/ 2,120	4/ 2,218	4/ 2,281
Estimated world total, excluding China	16,900,000	18,400,000	21,900,000	21,100,000	22,200,000	24,200,000	17,800,000	18,366,000	17,608,000	17,841,000
Estimated world total, including China	---	---	---	---	---	---	---	19,900,000	19,700,000	20,900,000

Division of Statistical and Historical Research. Official sources and International Institute of Agriculture except as otherwise stated. Data are for crops harvested between August 1 and July 1 of the following year. For the United States, prior to 1914 the figures apply to the year beginning September 1. In order to include figures for the smaller countries, exact number of bales were used.

World acreage

In acreage Russia has made the most significant expansion with the exception of the United States since the five year period beginning 1921-22. Most of the other countries have increased their acreage considerably, however, especially from the average of the five year period beginning 1909-10 to the average of the five year period beginning 1921-22. The difference between these five year averages for the estimated totals excluding China amounted to 6.5 million acres, whereas the increased acreage in the United States accounted for only 3.4 million acres. Russia averaged about .8 million acres less during this period and India increased 1.3 million acres. Brazil increased her acreage about .6 million acres between these periods. This leaves about 3.3 million acres which are scattered throughout a large number of the smaller countries. The smaller countries do not play as important part in the increase in acreage since the five year average beginning 1921-22.

Table 15- Cotton: Acreage in specified countries and estimated world total average 1909-10 to 1913-14. 1921-22 to 1925-26, annual 1926-27 to 1929-30

Country		Average 1909-10 to 1913-14	Average 1921-22 to 1925-26	1926-27	1927-28	1928-29	1929-30 Preliminary
Acreage		1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres
United States........		34,152	37,616	47,087	40,138	45,341	45,79[illegible]
India................		22,505	23,818	24,822	24,761	27,053	25,692
Egypt................		1,743	1,768	1,854	1,574	1,805	1,912
China 1/.............		--	4,498	4,152	4,192	4,265	
Brazil...............	2/	867	1,475	986	1,297	1,284	
Russia (Asiatic).....		1,569	741	1,620	1,858	2,261	2,56[illegible]
Mexico...............		253	330	613	326	502	475
Chosen (Korea).......		146	405	529	503	503	459
Uganda...............		58	420	570	533	699	684
Peru.................	3/	163	282	316	316	284	
Anglo-Egyptian Sudan.		44	134	225	239	284	36[illegible]
Argentina............		5	156	177	210	256	33[illegible]
Turkey in Asia.......	4/	451	5/ 394	346	223		
Estimated world total excluding China		62,500	69,000	81,010	73,869	82,400	81,97[illegible]

Official sources and International Institute unless otherwise stated.
Data for crop year as given at the head of the Table are for crops harvested between Aug. 1 and July 31 of the following year. This applies to both Northern and Southern Hemispheres. For the United States prior to 1914 the figures apply to the harvest year beginning Sept. 1.

1/ From the Chinese Economic Bulletin Quoting the Chinese Mill Owners' Association. The figures represent the crop in the most important Provinces where the commercial crop is grown. 2/ Average for 3 years.
3/ Average 1914-15 to 1918-19. 4/ Season 1910-11. 5/ Average 1924-25 and 1925-26.

Cotton production and marketing in Haiti 1/

Cotton has probably been cultivated in Haiti for two hundred years, and according to some authorities there are four species long native to the island. Three of these four principal species are perennial. Instances are known where these perennials, which are almost like trees, have borne commercially for as many as ten years without replanting. Since the French colonists left their estates when Haiti gained its independence in 1804, cotton has been grown almost entirely as a semi-wild crop by peasants.

Cultivation

Except to gather the cotton and cut the plants back, little attention is given the plants even at the present time. A large proportion of the land at present planted in cotton is not and probably could not be irrigated, but in many regions irrigation water may be had either from pumping wells, artesian wells, or by pumping from rivers. The Service Technique states that on the basis of its experiments supplementary irrigation is advisable. Irrigation should be done once before flowering, once after flowering, and once when the bolls are half grown.

Production and acreage, present and potential

Estimates of both production and acreage in Haiti are based principally upon exports. The production figures are usually the same as the export figures since it is believed that the two are almost identical, as little cotton is utilized in Haiti. The acreage figures are determined from estimated yields per acre.

The following Table gives the estimated production for a number of years together with the acreage and yield for four recent years.

1/ Based primarily on a report by Consul Donald R. Heath located at Port au Prince, Haiti - prepared during June, 1930

Table 16 - Haiti: Production, acreage, and yield of cotton, average 1909-1913, annual 1921-22 to 1928-29

Season	Production 1/	Acreage	Yield of lint per acre
	Bales 2/	Acres	Pounds
Average 1909-1913	9.300		
1921-22............	21.533		
1922-23............	15.505		
1923-24............	15.500		
1924-25............	16.630		
1925-26............	23.035	73.250	150.3
1926-27............	22.604	74.997	144.1
1927-28............	20.419	130.000	75.1
1928-29............	21.929	170.000	61.7

1/ Exports, which are believed to be almost identical with production.
2/ 478 pounds net.

Though the yield at present is low it is the opinion of some cotton experts that under irrigation and proper pruning cotton may be conservatively estimated to produce 500 pounds per acre.

There is relatively a small amount of definite information available on the quality of Haitian cotton, but a considerable proportion, possibly 50 or 60 per cent, is 1 3/16 inches or longer in staple length and probably 75 per cent is 1 inch or longer. There has been considerable research done on long staple cottons during the seasons 1927-28, 1928-29, and 1929-30.

Several strains of native Haitian cotton are being developed by the Service Technique with fiber 1 3/4 inches or longer, very strong, silky and of desirable color which is considered equal to Sea Island. By next year, it is expected that from its stations and a few special plantations already planted there will be a production of at least 200 bales of certified long staple cotton of the new type. To what extent the seed distributed to other farms will actually result in certified cotton cannot be predicted.

There is no definite information as to the amount of land that could profitably be planted to cotton in Haiti, though some agricultural experts estimate that it could probably be more than doubled. If, however, the movement to increase the production of long staple cotton continues it is felt that there should be a considerable number of plantations throughout the Island both to set an example and to furnish proper seed for the peasants. An abundant supply of cheap common labor-wages averaging $0.30 a day - is a favorable factor in the development of these plantations, though horse or tractor operators would have to be imported and paid a considerable higher wage.

Insect pests and plant diseases

The boll-weevil is unknown on the island. The pink boll worm is widely distributed in Haiti, but for causes undetermined as yet, does little damage. The cotton stainer (Dysdercus andreae) is the most serious insect pest. The cotton leaf worm has been combated successfully with calcium arsenate. Angular leaf spot, black arm, anthracnose, and boll rot are found in Haiti though the latter two are more common. These diseases, however, do relatively little damage. The intense sunlight, the fact that the climate does not favor hibernation and the cotton does not bloom all the year, together with the fact that cotton blooms "in a burst" are all given as factors which cause the small amount of damage done by insect pests and plant diseases.

Ginning and baling

Most of the gins now established in Haiti are "saw-gins", but with the increased interest in the new long staple types developed by the Service Technique there is need for roller gins. Most of the gins in Haiti which number about 50 in all are located at St. Marc, Gonaives, Port au Prince, and Jacmel. The general run of cotton bales average around 450 pounds and measure 57" x 45" x 27". This compares with the average American bale of about 500 pounds, measuring 54" x 45" x 27". Native made

rope is used for tying. However, at Port au Prince, one of the important exporters has a high density compress. The weight of the bales of this exporter are about 550 pounds, measure 55" x 23" x 26" and are tied with steel ties.

Marketing

During the growing season the cotton farmers obtain advances principally from merchants, usually in the form of merchandise. There are, however, a number of middlemen and ginners who pay cash for cotton when delivered. Some ginners export the cotton direct to Europe. Small ginners usually resell to European representatives, who export to their respective firms. In such cases confirmed banker's credits are opened and drafts with documents attached, are discounted in order to finance purchases. There are a few cotton exporters who enter the market locally and purcahse the cotton and sell under firm offers and acceptances to European importers. These transactions are also against banker's confirmed credits. A very small part of the cotton leaves Haiti unsold, that is, consigned to firms abroad. There are nine private concerns or companies in Haiti which export raw cotton, five of which are located at Port au Prince and four at Jacmel.

The following Table shows that France, Great Britain and Germany take most of the raw cotton and that Great Britain and Germany get practically all of the cottonseed cake.

Table 17.-Haiti: Exports of raw cotton and cottonseed cake, October 1, 1928 to October 1, 1929, by countries

Country	Raw cotton	Cottonseed cake
	Bales 1/	Tons
France	13,288	---
United Kingdom	5,686	6,205
Germany	2,845	1,584
United States	56	---
Netherlands	54	---
Curacao	---	23
Total	21,929	7,872

1/ 478 pounds net.

Miscellaneous News

Government reports for season 1930-31

The following Table gives the dates and subject of future Government reports on cotton for the 1930-31 season which will be of interest to many. This includes reports of both the Bureau of the Census and the Department of Agriculture.

Table 18.-Government cotton reports: Dates and subject, for the season 1930-31

Date	Day	Subject	Report made up to
1930			
Aug. 23	Saturday	Ginnings	Aug. 15
Sept. 8	Monday	Ginnings, condition and probable production and acreage abandoned	Sept. 1
Sept. 23	Tuesday	Ginnings	Sept. 15
Oct. 8	Wednesday	Ginnings, condition and probable production	Oct. 1
Oct. 25	Saturday	Ginnings	Oct. 17
Oct. 31	Friday	Grade and staple of the cotton ginned	Oct. 1
Nov. 8	Saturday	Ginnings and probable production	Nov. 1
Nov. 21	Friday	Ginnings	Nov. 13
Nov. 28	Friday	Grade and staple of cotton ginned	Nov. 1
Dec. 8	Monday	Ginnings, probable production and acreage abandoned	Dec. 1
Dec. 20	Saturday	Ginnings	Dec. 13
1931			
Jan. 2	Friday	Grade and staple of cotton ginned	Dec. 1
Jan. 23	Friday	Ginnings	Jan. 16
Feb. 13	Friday	Grade and staple of cotton ginned	Jan. 16
Mar. 20	Friday	Ginnings	Final Report
Apr. 17	Friday	Grade and staple of cotton ginned	Final Report for total crop

Federal Farm Board and the American Cotton Cooperative Association

In a communication to Representative Buchanan of Texas on July 23, Carl Williams stated that the approximately 1,250,000 bales of cotton which the Cotton Stabilization Corporation backed by the Federal Farm Board is taking over from the cooperatives will not be disposed of in any manner that would adversely influence prices of the new crop. (Daily News Record)

On July 21st Mr. Williams issued the following statement: "My attention has been called to statements appearing in southern newspapers and cotton trade journals to the effect that the cotton cooperatives will be able to advance not more than six cents a pound to their members this fall. The statements doubtless have been innocently made, but if allowed to stand their effect would be to discourage participation by cotton farmers in the cooperative movement.

"Final determination of the amount of advance at time of delivery through-out the cotton belt has not been made. Certainly, however, it will be not less than 65 per cent of the market value of the cotton. It may be more. The Texas cooperative, which is now receiving cotton in great volume from the southern end of that state, is advancing nine cents on unclassed cotton at time of delivery by the member. All cooperatives may be expected to advance to their members the largest possible amount that is consistent with safety.

"The Federal Farm Board will work with the cotton cooperatives to that end."

Switzerland lowers import duty on raw cotton

The import duty on raw cotton into Switzerland has been reduced from about $4.38 a bale to about 88 cents a bale, gross, by order of the Swiss Federal Council, according to advice received by the Department of Commerce from Commercial Attache Stebbins at Berne. The average consumption of American cotton in Switzerland during the five year period 1924-25 to 1928-29 amounted to 58,200 running bales.

Experimental cotton gin

The experimental cotton gin and laboratory authorized at the last session of Congress will be erected by the U. S. Department of Agriculture on a site made available by the Mississippi Delta Branch Experiment Station, according to an announcement by Secretary of Agriculture Hyde. Construction and equipment of the laboratory will begin at an early date in order that the experimental work may be started as soon as possible in the present season.

Staple length of Texas cotton

From a preliminary report on the staple length of Texas cotton which has recently been issued by this Bureau it may be seen that the staple length of the 1929 Texas crop was slightly shorter than that of 1928. The Northern and Northwestern parts of the State were largely responsible for this increase in shorter lengths while the Southern and Southwestern parts of the State showed a slight improvement in the length of the staple.

Texas ranks sixth among the principal cotton growing States in length of staple grown. The average staple length of in 1928 was 14.49 sixteenths of an inch compared with 14.68 sixteenths of an inch for the Cotton Belt as a whole. More than 50 per cent of the crop both in 1928 and 1929 was 7/8 of an inch or shorter.

Futures trading in staple cotton

The members of the Memphis Cotton Exchange are contemplating establishing futures trading in staple cotton with the basis of the contracts middling 1 1/8 inches. (Cotton Trade Journal).

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UNITED STATES DEPARTMENT OF AGRICULTURE
Bureau of Agricultural Economics
Washington

C-62 WORLD COTTON PROSPECTS September 30, 1930

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SUMMARY

Cotton prices both in America and abroad declined during August and September. Of the important growths Egyptian Sakellaridis fell most and Indian cotton fell the least. American middling 7/8 inch cotton declined about 2¼ cents per pound from the first part of August to the last of September when prices in the central markets were the lowest since September 1915 and the farm prices in the United States the lowest since July 1921. The stronger market for Indian cotton in comparison with American changed the price relationship which was effective in causing foreign mills to shift from American to Indian cotton in the past year. Egyptian Uppers have also shown more strength than American cotton recently.

The world visible supply of all cotton on September 26 was about 1.8 million bales larger than at the same time a year ago. World visible supply of American cotton was about 1.6 million bales more than a year ago and constituted about 70.1 per cent of the total, whereas a year ago American cotton amounted to about 60.5 per cent of the total. Exports of American cotton from August 1 to September 27 were about 200,000 bales above the corresponding period last year.

A summary of available figures on world stocks of all kinds of cotton at the end of July totals 11.2 million bales as compared with 9.3 million

bales last year. A similar summary of available figures on world stocks of American cotton totals 6.4 million bales for July 31 this year compared with 4.6 million last year.

The recession in the cotton textile industry which is more or less general throughout the world continued through August and into September. Conditions in the Orient were reported somewhat improved during the last of September which somewhat improved the outlook for Great Britain. Smaller stocks of yarn and cloth which were reported for some countries is another favorable factor. Textile activity in the United States during August as measured by consumption of raw cotton was the lowest since July 1934. Production of standard cotton cloth on the other hand was 5 per cent higher during August than during July, and sales, shipments and unfilled orders also showed some improvement.

Prices

Spot

American middling 7/8 inch cotton in the ten markets averaged 12.38 cents per pound on August 7 but from this point it declined to 10.10 cents on August 18. For the two following weeks there was somewhat of an upward trend until on September 5 the price in these markets averaged 10.70 cents per pound. Since then, however, there has been a steady decline until on September 27 the ten markets averaged 9.58 cents per pound which was the lowest daily average since September 9, 1915. The average price in the ten markets during September was 10.14 cents per pound compared with 10.63 cents for August, 12.21 cents for July, 18.01 for September 1929, and is the lowest monthly average since September 1915. The average farm price on September 15 was 9.9 cents, 1.5 cents below August 15, 8.3 cents below September 15, 1929, and is the lowest since July 1921.

In the Liverpool market, as may be seen from the accompanying Figure, Egyptian Sakellaridis showed the greatest decline of any of the important growths during the period from August 8 to September 12 while Indian (Oomra No. 1) showed the smallest decline. When converted from pence to cents the net decline during this period for the different growths are as follows: Egyptian Sakellaridis, fully good fair, 4.15; Egyptian Uppers, good, 1.88; American middling, 2.52; Indian, Oomra No. 1, fully good, 0.51. This smaller decline in Indian and Egyptian Uppers has resulted in a price relationship between these two growths and American the most favorable to consumption of American cotton which has existed for the past nine months (note dotted lines on accompanying Figure). Since the accompanying Figure was prepared Sakellaridis advanced to 21.29 cents per pound on September 19 but declined to 20.38 cents on September 26. Uppers advanced to 18.46 cents on September 19 and declined to 17.85 cents on September 26. American middling and Indian Oomra No. 1 on the other hand were both lower each week with American middling at 11.94 cents on September 26 and Indian Oomra No. 1 at 7.19 cents on September 26. The price relationships in regard to American continued to improve during these last two weeks. This relative strengthening in the price of Indian cotton is probably due to the fact that the visible supply of Indian cotton is some 200,000 bales below last year while the supply of American is considerably above last year.

Futures

Prices of future contracts for American cotton moved about as did the prices of spot cotton. From August 8 to September 25 the net decline in the New York market was 1.70 cents in case of July contracts to 2.09 cents per pound in case of the old October contract. On the New Orleans market the greatest decline was in the October contract of 1.95 cents per pound and the smallest decline in the May contract of 1.81 cents per pound. In Liverpool the net decline was 1.72 cents in case of July contracts to 2.07 cents per pound in case of October contracts.

Stocks and movements

World visible supply

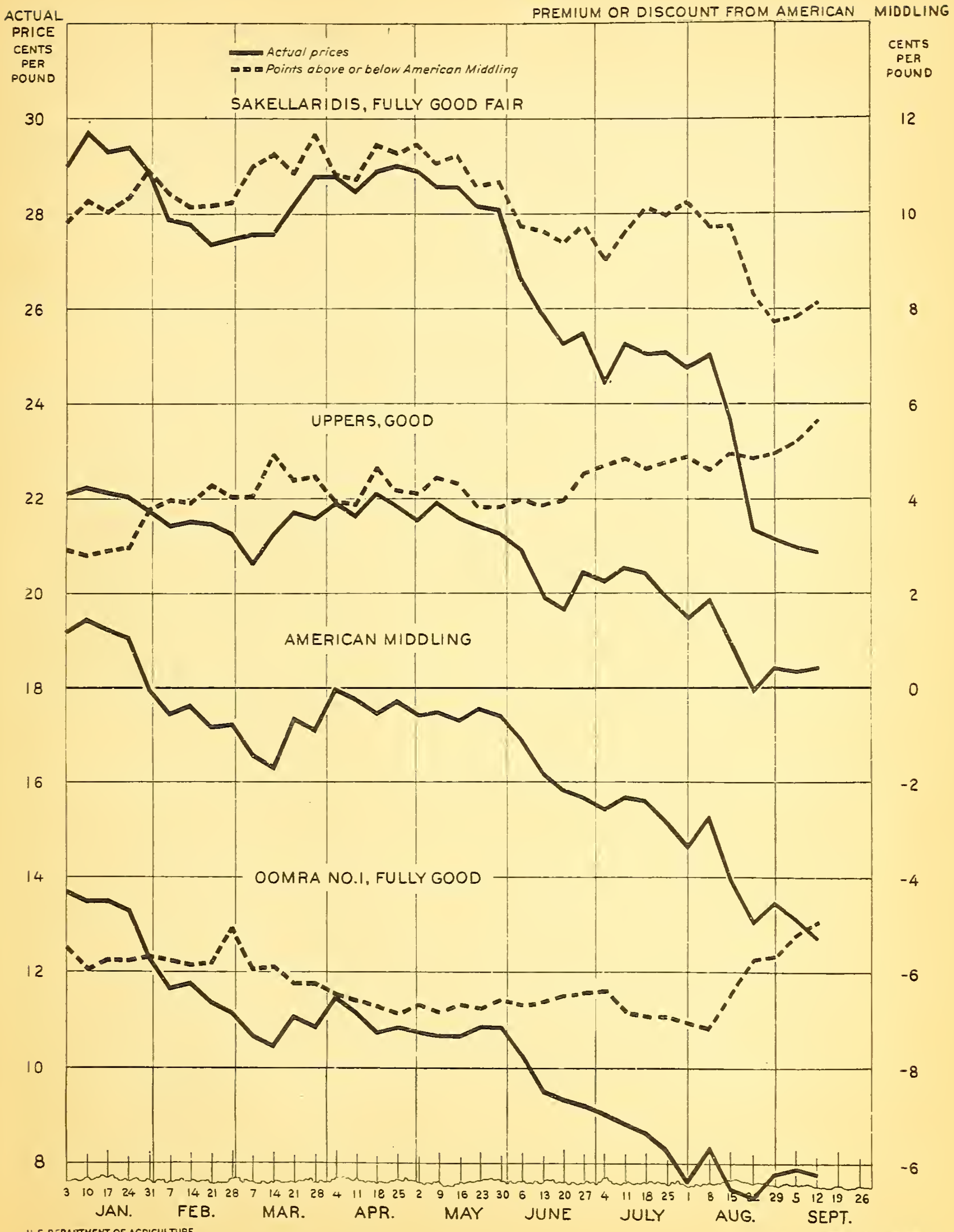
The world visible supply of all cottons on September 26, 1930 totaled about 6.2 million bales compared with 4.4 million bales at the same date last year. Of this total 4.3 million bales or 70.1 per cent was American this year compared with 2.7 or 60.5 per cent last year. United States port stocks, United States interior stocks, Continental stocks of American, and American afloat for Europe were all above last year while Great Britain stocks of American were slightly below a year ago. The most significant change in the visible supply of foreign cottons is the increase in stocks in Alexandria, Egypt and the decrease in stocks in Bombay, India. Stocks in Alexandria constitute 7.8 per cent of the total visible supply this year compared with 4.0 per cent of the total last year. Stocks in Bombay constitute 9.6 per cent of the total this year compared with 17.5 per cent last year.

Table 1.- World visible supply of cotton: American and other growths on September 26, 1929 and 1930 1/

Location of stocks	1929 Total	1929 Percent-age of total	1930 Total	1930 Percent-age of total
	Running bales	Percent	Running bales	Percent
American				
Great Britain	264,000	6.0	254,000	4.1
Continental	283,000	6.5	343,000	5.5
Afloat for Europe	366,000	8.3	440,000	7.1
United States:				
Port stocks	1,164,518	26.6	2,490,742	40.2
Interior stocks	573,923	13.1	818,124	13.2
Exports today (Friday)	375	.0	-	-
Total American	2,651,816	60.5	4,345,866	70.1
East Indian, Brazilian, etc.				
Great Britain	458,000	10.5	487,000	7.9
Continental	92,000	2.1	121,000	2.0
Indian afloat for Europe	116,000	2.6	74,000	1.2
Egypt, Brazil, etc. afloat	121,000	2.8	86,000	1.4
Alexandria, Egypt	177,000	4.0	483,000	7.8
Bombay, India	765,000	17.5	593,000	9.6
Total East Indian, Brazilian, etc.	1,729,000	39.5	1,844,000	29.9
Total visible supply	4,380,816	100.0	6,189,866	100.0

1/ Compiled from the Commercial and Financial Chronicle.

SPOT COTTON: COMPARATIVE PRICES AT LIVERPOOL, 1930



U. S. DEPARTMENT OF AGRICULTURE

BUREAU OF AGRICULTURAL ECONOMICS

Exports of American cotton

Exports of American cotton during August 1930 amounted to 366,036 running bales compared with 176,435 bales during July and 226,018 bales during August, 1929 according to the Bureau of the Census. Exports from August 29 to September 27 according to the New York Cotton Exchange reports amounted to 758,000 running bales this year compared with 624,000 bales during this period last year. The total exports from August 1 to September 27 according to the New York Exchange amounted to 1,029,000 bales this year compared with 820,000 bales during the corresponding period last year.

Stocks of cotton on July 31

In order to obtain a more adequate view of this season's supply situation, information on world cotton stocks at the end of July have been summarized together with comparable figures for earlier years. The stocks of all kinds of cotton at the end of July, 1930 as obtained in the accompanying Table amounted to 11.2 million running bales compared with 9.3 million bales last year, 11.7 million bales in 1927, and 13.9 million bales in 1921. Mill stocks of all kinds were the same as in 1926 and smaller than in any other year since then. The larger total is due mostly to the increase in stocks in the United States which were the largest since 1921. Of the total stocks American constituted 6.4 million bales compared with 4.6 million bales in 1929, 5.3 million in 1928, 7.8 million in 1927, and 9.6 million bales in 1921. Stocks of Indian on the other hand, while the smallest since 1927 were only 70,000 bales below last year. Stocks of Egyptian cotton which amounted to 804,000 running bales were the largest in the past ten years.

Table 2.- Cotton, all kinds: Stocks at specified locations at the end of July

Location	1921	1922	1923	1924	1925	1926	1927	1928	1929	1930
	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales
Mill stocks 1/	4,597	5,162	4,055	3,574	4,267	4,498	5,407	4,787	4,863	4,498
Port stocks 2/										
Great Britain ..	1,171	851	432	456	639	943	1,297	763	839	821
Continent	560	486	186	295	318	345	842	677	490	532
Bombay	1,189	967	502	654	598	525	621	1,143	993	958
Alexandria ..) 3/										475
United States) 3/	265	223	136	51	55	205	304	205	215	30
Afloat 2/										
For Great Britain	130	126	75	122	142	135	142	109	119	92
For Continent .	348	219	209	195	222	227	328	323	290	253
Bombay Harbor .	2	15	2	3	9	4	2	1	12	8
Stocks of American in United States 4/										
In public storage	3,723	1,488	945	641	487	1,893	1,803	1,156	923	2,804
Elsewhere	1,700	125	280	160	230	510	535	335	275	470
Port stocks and afloat 5/:										
Japan and China	250	300	250	200	300	250	375	325	250	300
Total	13,935	9,962	7,072	6,351	7,267	9,555	11,656	9,824	9,269	11,242

1/ International Federation of Master Cotton Spinners and Manufacturers' Association and Bureau of the Census.
2/ The Liverpool Cotton Association Weekly Circular.
3/ Egyptian cotton in Alexandria and the United States.
4/ Bureau of the Census; does not include mill stocks.
5/ From Commercial and Financial Chronicle.

While the total stocks of American cotton this year were the largest since 1927, it may be seen from the accompanying table that mill stocks were the lowest since 1926 and that mill stocks outside of the United States were the lowest since 1924. The increased total is due to the increase in the stocks in public storage in the United States which were the largest since 1921. Port stocks of American in Great Britain were the smallest since 1924 and port stocks on the continent were the lowest since 1926.

Table 3 - Cotton, American: Stocks at specified locations at the end of July

Location	1921	1922	1923	1924	1925	1926	1927	1928	1929	1930
	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales
Mill stocks:										
In United States 1/	1,111	1,218	1,100	638	787	1,011	1,325	935	932	1,048
Outside United States 2/	1,144	1,251	716	689	1,046	958	1,731	1,177	1,197	937
Total mill stocks	2,255	2,469	1,816	1,327	1,833	1,969	3,056	2,112	2,129	1,985
Stocks in public storage in United States 1/	3,723	1,483	945	641	487	1,893	1,803	1,156	923	2,804
Stocks elsewhere in United States 1/	1,700	125	280	160	230	510	535	335	275	470
Port stocks: 3/										
Great Britain ...	750	505	161	200	381	557	954	486	419	294
Continent	498	442	112	194	249	272	790	616	411	407
Afloat: 3/										
For Great Britain	90	53	9	28	19	22	26	26	17	15
For Continent ...	307	120	108	116	124	134	234	200	140	102
Port stocks and afloat: Japan and China 4/	250	300	250	200	300	250	375	325	250	300
Total	9,573	5,502	3,681	2,866	3,623	5,607	7,773	5,256	4,564	6,377

1/ Bureau of the Census.
2/ International Federation of Master Cotton Spinners' and Manufacturers' Association.
3/ The Liverpool Cotton Association Weekly Circular.
4/ From Commercial and Financial Chronicle.

Total stocks of Indian cotton on July 31, 1930 were 70,000 bales below 1929 and were the lowest since 1927. Mill stocks and stocks in Bombay were likewise the lowest since 1927. Port stocks in Great Britain and on the Continent, however, were the largest since 1924 indicating that the European buyers had turned more to this lower priced cotton. In view of the reduced stocks at Bombay the question arises whether uncounted stocks in India were also reduced. The fact that world consumption of Indian cotton increased materially last season without a corresponding increase being reported in Indian production indicates that interior stocks in India must have been lowered. The rapid falling off in Bombay stocks recently and the comparative strength in prices of Indian cotton further substantiate this belief. Obviously if stocks of Indian cotton are being depleted, mills will be forced to return to American cotton.

Table 4. - Cotton, Indian: Stocks at specified locations at the end of July

Location	1921	1922	1923	1924	1925	1926	1927	1928	1929	1930
	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales
Mill stocks 1/	1,760	1,805	1,623	1,592	1,599	1,589	1,515	1,728	1,761	1,667
Port stocks:										
Great Britain 2/..	58	23	62	96	35	19	13	54	57	77
Continent 2/......	34	16	51	77	49	34	21	38	34	58
Bombay 3/.........	1,189	967	502	654	598	525	621	1,143	993	958
Afloat: 2/										
For Great Britain	4	13	28	12	22	12	17	14	18	20
For Continent	26	81	88	60	55	50	58	91	105	122
Bombay harbor	2	15	2	3	9	4	2	1	12	8
Total	3,073	2,920	2,356	2,494	2,367	2,233	2,247	3,069	2,980	2,910

1/ International Federation of Master Cotton Spinners' and Manufacturers' Association.
2/ The Liverpool Cotton Association Weekly Circular.
3/ Commercial and Financial Chronicle.

Total stocks of Egyptian cotton on July 31, 1930 were larger than at any time during the past 10 years. Mill stocks and stocks in Alexandria were likewise larger than at any time during this period. Port stocks in Great Britain, however, were the smallest since 1926. The large port stocks in Alexandria are due in part to the large Egyptian crop of 1929-30 which was the largest crop on record and in part to the purchases of cotton by the Egyptian Government, a large amount of which they are still holding, and in part to the decrease in mill consumption last season.

Table 5. - Cotton, Egyptian: Stocks at specified locations at the end of July

Location	1921	1922	1923	1924	1925	1926	1927	1928	1929	1930
	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales
Mill stocks 1/	181	211	220	188	181	201	210	170	228	237
Port stocks 2/:										
Great Britain	75	97	89	41	38	41	58	51	59	43
Continent	11	11	10	9	5	8	9	7	6	13
Alexandria)	265	223	136	51	55	205	304	205	215	476
United States)										30
Afloat 2/:										
Great Britain	14	14	8	7	4	5	13	5	8	1
Continent	10	9	9	8	5	8	10	8	13	4
Total	556	565	472	304	288	468	604	446	529	804

1/ International Federation of Master Cotton Spinners' and Manufacturers' Association.

2/ The Liverpool Cotton Association Weekly Circular.

Stocks of other cotton on July 31 of this year were about 45,000 bales less than a year earlier but with the exception of 1926 were larger than any other year during the past 10 years. Mill stocks on the other hand were the smallest since 1924. The small mill stocks were offset by large port stocks in Great Britain and on the Continent which were larger than at any time during the 10-year period 1921-1930.

Table 6. - Cotton, sundries: Stocks at specified locations at the end of July

Location	1921	1922	1923	1924	1925	1926	1927	1928	1929	1930
	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales
Mill stocks 1/	401	677	396	467	654	739	626	777	745	609
Port stocks 2/:										
Great Britain	288	226	120	119	185	326	272	172	304	407
Continent	17	17	13	15	15	31	22	16	39	54
Afloat 2/:										
For Great Britain	22	46	30	75	97	96	86	64	76	56
" Continent	5	9	4	11	38	35	26	24	32	25
Total	733	975	563	687	989	1,227	1,032	1,053	1,196	1,151

1/ International Federation of Master Cotton Spinners' and Manufacturers' Association. 2/ The Liverpool Cotton Association Weekly Circular.

Table 7. - Cotton, by kinds: Summary of world stocks at the end of July

Kind	1921	1922	1923	1924	1925	1926	1927	1928	1929	1930
	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales
American	9,573	5,502	3,681	2,866	3,623	5,607	7,773	5,256	4,564	6,377
Indian	3,073	2,920	2,356	2,494	2,367	2,233	2,247	3,069	2,980	2,910
Egyptian	556	565	472	304	288	468	604	446	529	804
Sundries	733	975	563	687	989	1,227	1,032	1,053	1,196	1,151
Total	13,935	9,962	6,651	6,351	7,267	9,535	11,656	9,824	9,269	11.242

In connection with the stocks of American cotton, the following summary of the quality of carryover of cotton in the United States on July 31, 1930 which was released September 19, 1930, in comparison with the quality of carryover July 31, 1909 will be of importance. From this Table may be seen that American Upland constituted 93.1 per cent of the total carryover in the United States this year, as compared with 91.8 per cent last year. Of this total, 43.9 per cent of this year' carryover was below 15/16 inch in staple against 38.0 per cent last year. This year only 79.2 per cent of the carryover was tenderable as compared with 82.3 per cent tenderable in 1929. The tenderable cotton over 1-1/32" in staple length amounted to only 17.4 per cent this year as compared with 25.4 per cent last year. The decrease in per cent of tenderable cotton this year as compared with last year is due to the shortness of staple since the per cent of untenderable due to grade is exactly the same this year as last.

Table 8. - Grade, staple length and tenderability of cotton carried over in the United States July 31, 1929 and 1930

Item	July 31, 1929		July 31, 1930	
	Bales	Per cent	Bales	Per cent
Total carryover (as reported by the Bureau of the Census)	2,313,000	100.0	4,530,600	100.0
Total American upland	2,123,700	91.8	4,315,600	95.1
Total American-Egyptian	7,200	0.3	8,100	0.2
Total foreign grown	182,100	7.9	206,900	4.7
Grades (American upland):				
Middling and better, white	1,197,900	56.5	2,314,300	53.6
Strict low and low middling	480,400	22.6	869,800	20.2
Below low middling	128,000	6.0	218,200	5.1
Spotted and yellow tinged	257,800	11.2	717,700	16.7
Light yellow stained, yellow stained, gray, blue stained	2,800	0.1	14,900	0.3
Staple (American upland):				
Under 7/8	155,200	7.3	446,800	10.4
7/8 and 29/32	651,500	30.7	1,445,600	33.5
15/16 and 31/32	397,500	18.7	825,400	19.1
1 and 1-1/32	395,200	18.6	783,000	18.1
1-1/16 and 1-3/32	221,300	10.4	389,300	9.0
1-1/8 and longer	303,000	14.3	423,500	9.9
Tenderability on section 5 futures contracts (American upland):				
Total tenderable	1,748,400	82.3	3,416,300	79.2
Tenderable 7/8" to 1-1/32" inc.	1,251,600	58.9	2,666,600	61.8
Tenderable over 1-1/32"	496,800	23.4	749,700	17.4
Total untenderable	375,300	17.7	897,300	20.8
Untenderable in grade	220,100	10.4	450,500	10.4
Untenderable in staple	74,600	3.5	268,400	6.2
Untenderable in both grade and staple	80,600	3.8	178,400	4.2

Insight, port receipts, mill takings etc.

According to New Orleans Cotton Exchange the cotton into sight movement during August 1930 amounted to about 865,000 bales compared with 823,000 in 1929. Port receipts during August 1930 amounted to 676,000 bales compared with 462,000 in 1929. Cotton moving overland during August this year which amounted to about 33,000 bales or about 40,000 bales less than during the same month last year. American mill takings according to the New Orleans Exchange report, amounted to only 242,000 bales during August this year compared with 461,000 bales in August 1929. Total stocks at ports in interior towns at the end of August this year were 2,589,000 bales which was the largest on record for the month of August, these records being available back as far as 1912. These large insight and port receipts were due to the fact that the crop this year is considerably earlier than last year, and the year before. The record stocks at the interior towns is of course due to the decline in domestic consumption and exports during the previous season which resulted in a large carryover.

Textile situation

The recession in the cotton textile industry is an accompaniment of the world wide business recession. France, the only country on the Continent with the possible exception of Hungary that has been able to maintain a high rate of activity was under the influence of labor strikes during the latter part of July and most of August which resulted in lower mill activity and reduced production. Economic and political conditions in the Orient continue unsatisfactory though the outlook is reported considerably brighter during September. Takings of yarns and piece goods from Great Britain were low during August but some improvement is expected to be shown in the report for September. Brazil and Argentina which are large takers of goods from Great Britain and the United States are in a depressed economic condition. In some countries stocks of both yarn and cloth are reported as decreasing which is a favorable factor.

United States

Cotton textile activity in the United States during August as measured by consumption of raw cotton, declined still further and is now at the lowest level since July 1924, and is the lowest for the month of August since prior to 1913, the first year for which consumption figures for the month of August are available. Consumption during August amounted to 352,000 running bales, 27,000 bales below July and 206,000 bales below August last year. The consumption during August 1924 amounted to 357,000 bales and in July 1924 to 347,000 bales.

Production of standard cotton during August, however, was 5 per cent above July according to a report of the Association of Cotton Textile Merchants of New York. Sales, shipments and unfilled orders were also above July. The ratio of sales to production was 107.6 per cent and of shipments to production was 105.7 which resulted in a decrease during August of 2.8 per cent in stocks. Production during August amounted to 218.8 million yards being at the rate of 43.8 million yards per week. This compares with a weekly rate of 61.5 million yards during August of last year or a decrease of 29 per cent. During 1928 and 1929 the only two years for which comparable data are available, the average weekly production of cotton cloth during August over July increased 9 per cent and 5 per cent respectively. In spite of restricted production stocks are still large.

Great Britain

Conditions in Great Britain's cotton textile industry continued unsatisfactory during August and early September. Market prospects were reported slightly better, however, during the last part of August with more encouraging news from India. This resulted in buyers displaying increased interest in yarn and cloth prices and in slightly improved turnover. The third week in August Manchester reported yarn and cloth inquiry larger, better news from India, and more sales to China with the general prospects brighter. A cable a week later, however, indicated that trade was losing ground again. A cable from Liverpool on September 26 reported some increase in inquiries from India for manufactured goods.

Exports of cotton piece goods during August which amounted to 168.0 million square yards, while 9.3 million square yards above the low figure for June (the lowest month since June 1921), was 29.4 million square yards or 15 per cent below July and 153.3 million square yards or 48 per cent below August last year. Exports of cotton yarns during August were 10.2 million pounds, 200,000 pounds or 2 per cent below July, and 5.1 million pounds or 33 per cent below August 1929, but 500,000 pounds or 5 per cent above June which was the lowest since July 1923. Both cotton yarn and cotton piece goods exports for the season 1929-30 were the lowest for any season since the 1920-21 season.

Continental Europe 1/

The textile situation as a whole in Continental Europe continued unsatisfactory during July and the first half of August. Sales and activity were low but some seasonal increase was reported.

Stocks in most countries are still probably high though labor troubles in France which restricted production probably decreased French stocks. Poland is another country where stocks are lower and due to increased demand have increased their output. Hungary reports fairly satisfactory conditions in regard to sales, mill activity and stocks on hand. In other European countries, however, conditions are less favorable. Sales continue slow and stocks are larger in the face of restricted mill activity and production.

Germany

Unfavorable conditions still exist in the German cotton mills although there was some seasonal pick up in activity during July which probably continued through August. Spinners have been buying raw cotton and fixing prices rather freely during most of July and the second half of August.

As may be seen from the accompanying Table activity in both the spinning and weaving mills is low but the activity during July was above the low figure for July 1929. In relation to 1928-29 the activity in the spinning mills for the past season as a whole was good but was considerably below the seasons 1926-27 and 1927-28. The weaving mills, however, have not on the average been as active this past season as in 1928-29, and were also considerably less active than in either 1926-27 or 1927-28.

1/ Based on cable from Agricultural Commissioner L. V. Steere at Berlin, dated August 27, 1930.

Table 9- Germany: Cotton spinning and weaving mill activity

	Spinning mill activity 1/						Weaving mill activity 2/					
	1925-26	1926-27	1927-28	1928-29	1929-30	1930-31	1925-26	1926-27	1927-28	1928-29	1929-30	1930-31
	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent
Aug. ...	108	85	119	101	94	3/96	-	73.9	92.8	85.9	66.2	3/69
Sept. ..	118	99	126	101	95		-	77.4	95.4	86.3	69.5	
Oct. ...	117	106	122	90	104		-	82.1	93.4	87.2	72.1	
Nov. ...	116	112	125	110	106		-	84.7	93.1	85.3	75.6	
Dec. ...	119	117	120	102	109		-	86.5	93.3	85.6	72.8	
Jan. ...	102	115	123	107	108		88.6	87.4	93.1	71.3	71.6	
Feb. ...	94	118	125	102	109		85.5	89.3	92.6	71.5	76.1	
Mar. ...	85	122	121	99	105		83.3	91.2	92.3	70.6	76.4	
Apr. ...	76	120	116	105	3/107		78.7	91.4	91.1	70.8	69.3	
May ...	69	123	113	90	100		77.0	93.5	90.4	61.0	72.0	
June ...	74	112	102	93	86		73.3	92.9	88.7	64.3	63.0	
July ...	70	118	99	77	97		71.7	92.5	88.3	61.7	69.0	
Average	96	112	118	98	102		4/79.7	86.9	92.0	75.1	71.1	

German Institute for Economic Research, Berlin.

1/ Revised figures (monthly average July 1924- June 1926 = 100)
2/ Up to December 1928, active looms in percentage of total looms in place; since January 1929, activity in percentage of 9 hours shift capacity.
3/ Estimated: subject to revision.
4/ Average for 7 months.

Imports of cotton yarn and woven materials during the past season are both well below the three previous seasons. Imports of cotton yarns for the season 1929-30 were 19 per cent below the 1928-29 season and 52 per cent below the 1927-28 season. Imports of woven cotton materials although up during July over June are still low, and for the 1929-30 season were 15 per cent below the previous season and 17 per cent below the 1927-28 season.

Table 10- Germany: Imports of cotton yarn and woven materials

Month	Cotton yarn 1/					Woven cotton materials 2/				
	1925-26	1926-27	1927-28	1928-29	1929-30	1925-26	1926-27	1927-28	1928-29	1929-30
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Aug.	--	3,962	14,240	7,046	6,583	--	787	4,277	1,455	1,164
Sept.	--	4,500	13,962	7,286	4,921	--	794	5,355	1,534	1,254
Oct.	--	4,599	13,514	7,842	5,210	--	1,380	5,620	2,015	1,484
Nov.	--	5,657	12,840	8,082	5,600	--	990	5,758	1,728	1,581
Dec.	--	5,617	12,879	6,676	5,410	--	1,063	5,373	1,576	1,358
Jan.	5,772	6,931	13,252	8,027	5,666	3,335	1,594	5,959	2,097	1,371
Feb.	5,154	8,400	11,409	6,303	6,354	2,846	2,943	4,363	1,728	1,530
Mar.	4,899	10,384	10,657	7,147	6,111	1,984	3,671	4,403	1,757	1,660
Apr.	4,140	13,488	10,154	6,327	5,441	1,351	3,995	3,530	1,755	1,468
May	3,554	12,509	8,823	6,259	5,225	1,142	4,687	2,650	1,499	1,530
June	4,638	13,294	8,093	5,271	5,183	1,142	4,824	2,092	1,534	1,307
July	3,988	12,328	7,502	5,760	4,844	787	4,694	2,255	1,356	1,343
Total		101,669	137,325	82,046	66,548		31,422	51,635	20,034	17,050

Official Foreign Trade Statistics.
1/ No. 440 - No. 444 of the German Duty Register.
2/ No. 453a- No. 457d2.

Austria

The unsatisfactory conditions which have existed in the Austrian mills during most of the 1929-30 season are reported to have continued during July and into August. New sales are scarce and exports of cotton yarn are very low especially when compared with 1927 and 1928. Efforts are being made in Austria and Czechoslavkia to erect a Central European price and term cartel which is to include Germany and Hungary.

Exports of cotton yarn to Germany during July were 9,000 pounds above June but were considerably below July 1929. Exports for the season 1929-30 amounted to 916,000 pounds compared with 1,486,000 pounds in 1928-29, 3,298,000 in 1927-28 and 4,149,000 pounds in 1926-27. (See Table on following page)

Table 11.- Austria: Exports of cotton yarn to Germany 1/

Month	1925-26	1926-27	1927-28	1928-29	1929-30
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Aug.		139	551	201	73
Sept.		165	317	176	37
Oct.		132	245	157	29
Nov.		148	240	134	95
Dec.		159	223	214	66
Jan.	664	243	163	101	84
Feb.	404	476	260	88	104
Mar.	331	558	220	73	128
Apr.	331	694	203	106	121
May	243	624	340	84	64
June	203	456	243	40	53
July	194	355	293	112	62
Total		4,149	3,298	1,486	916

Compiled from official foreign trade statistics.

1/ Five representative positions, i. e. sections 440 a-e of the German duty register.

Activity in the spinning mills of Austria during May and June was up compared with the three months from February through April, but reports indicate that further restrictions have taken place during July and August. The average activity in per cent of full capacity for the eleven months ended June 30, 1930 was 76 compared with 79 for the 1928-29 season and 81 for the 1927-28 season.

Table 12.- Austria: Cotton spinning mill activity (Percentage of "full capacity") 1/

Month	1922-23	1923-24	1924-25	1925-26	1926-27	1927-28	1928-29	1929-30
	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent
Aug.	--	59	57	76	57	90	76	73
Sept.	--	63	68	79	60	85	75	76
Oct.	--	63	70	83	65	85	79	76
Nov.	--	64	69	91	76	83	74	77
Dec.	--	66	78	87	75	82	80	78
Jan.	55	70	77	81	75	83	82	81
Feb.	57	70	80	85	79	81	83	73
Mar.	59	74	75	79	82	81	84	77
Apr.	59	72	75	75	86	78	84	72
May	58	67	70	67	85	73	80	79
June	62	64	76	62	82	76	74	77
July	59	66	79	72	87	73	73	
Average	2/ 58	67	73	78	76	81	79	3/ 76

Compiled from reports of the Austrian Institute for Economic Research.

1/ "Full capacity" means about 125 per cent of post-war single shift capacity.
2/ Average of 7 months. 3/ Average of 11 months.

Czechoslovakia

Conditions in the textile industry of Czechoslovakia for July and August are reported as poor with much restriction in activity. Exports are lower and new sales are scarce.

Exports of cotton yarn for the first eleven months of the 1929-30 season were 6 per cent above the similar period the previous year, but 6 per cent below the eleven month period in 1927-28. Cotton fabric exports for the eleven months in 1929-30, however, were 8 per cent below the like period in 1928-29 and 16 per cent below 1927-28.

Table 13.- Czechoslovakia: Exports of cotton yarn and cotton fabrics

Month	Cotton yarn, unbleached 1/					Cotton fabrics of all kinds 2/				
	1925-26	1926-27	1927-28	1928-29	1929-30	1925-26	1926-27	1927-28	1928-29	1929-30
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Aug.	--	3,252	5,373	3,569	4,198	--	6,903	9,105	7,476	8,342
Sept.	--	3,038	5,262	3,435	3,865	--	7,374	11,087	9,553	8,247
Oct.	--	3,309	4,687	4,261	4,173	--	7,571	9,224	8,655	8,763
Nov.	--	3,576	4,797	3,896	4,462	--	6,971	8,150	6,656	6,997
Dec.	--	3,311	5,165	4,872	5,062	--	6,508	8,437	7,612	7,474
Jan.	2,921	3,624	4,200	4,105	3,926	6,164	6,382	[illegible],508	5,776	5,743
Feb.	2,619	4,850	4,453	3,095	4,200	6,812	7,498	7,127	5,582	5,851
Mar.	2,835	5,604	5,441	4,374	4,883	8,247	8,232	8,638	7,515	6,537
Apr.	2,440	5,736	3,801	4,837	4,127	6,076	7,743	6,047	7,829	5,734
May	2,286	5,664	3,761	3,560	4,372	4,453	6,479	5,7[illegible]7	6,325	5,580
June	2,041	[illegible],345	3,812	4,015	3,470	4,747	7,496	5,240	6,173	4,067
July	2,560	5,342	3,351	3,812		5,679	6,552	6,312	6,362	
Total		53,651	53,103	47,831			85,709	91,662	85,514	

Official Foreign Trade Statistics.

1/ No. 501 - 504 of the Czechoslovakian Duty Register.

2/ No. 527 - 577 " " " " "

Hungary

The textile situation in Hungary continues to be fairly satisfactory. Mill activity which has been very good during recent months in spite of the depression in most countries is still high. Sales continue favorable especially during August due to reduced prices. The Hungarian textile industry, as has been previously pointed out, is on an import basis and is well protected by tariff.

France

During the later part of July and most of August textile activity in France was under the influence of extensive labor strikes which resulted in lower mill activity and reduced production. Most of the labor troubles had been settled by the last of August. These strikes which were the result of dissatisfaction in the health insurance schemes which were put into operation July 1 have resulted in increased wages, in some sections at least, will be difficult to bear for some mills. As has often been pointed out in these reports, the French cotton industry faces an important problem in the retention of its skilled labor because of the relative shortage of labor in France due to the reduction in the young workers which is a result of the sharp drop in the birth rate during the war.

Sales of textiles were also low during most of July and August though the lower prices and the exceptional heat during the last of August resulted in increased retail sales of cotton goods. The reduced production due to the labor dispute has probably resulted in reduced stocks.

Italy

Reports on the Italian cotton industry indicate that the unsatisfactory conditions which have existed since last spring continued through July and August. Production and sales were further reduced during these two months and exports were reduced still more. There is some hope, however, that textile exports to Russia will improve due to a recent treaty between Italy and Russia. Stocks of cotton goods are above unfilled orders and activity is below this time a year ago.

Poland

Consolidated efforts on the part of the textile industry of Poland during recent months in restricting the output of yarn and cloth has resulted in a decrease in the supply of yarn. Seasonal improvement has taken place and the demand for yarn is good. The syndicate has increased prices and have also increased output in view of the better demands.

China

The textile situation in China during July and August continued about the same except that the political and military conditions in the interior have somewhat complicated the outlook, according to Agricultural Commissioner Nyhus. Deliveries of yarn are quite fair considering these conditions.

The report for September states that conditions have improved and demands for yarn are picking up.

Japan

The Japanese cotton industry is more optimistic as yarn prices have risen about 25 per cent since June and are now steady at a point which will allow mills some profit, according to Consul Dickover at Kobe. July production of yarn amounted to 70.8 million pounds, a decrease of 30 per cent from the peak of last December. July cloth production also decreased and was 29 per cent below the December peak. Much of this decreased production was due to the restriction of output on account of shortage of cotton stocks. Exports during July were fairly good and stocks of both yarn and cloth are decreasing. If this continues much longer there will likely be increased mill activity during the remainder of the year. A later report indicates a brighter outlook with continued curtailment and increased orders for cloth from China and India.

India

The textile situation in Bombay is very poor. A dispatch on September 3 stated that with the closing of six additional cotton mills in Bombay, the number of workers involved has risen to about 60,000. A total of twenty-four mills were idle at that time.

Philippine Islands

General conditions in the Philippine textile market are still very unsatisfactory from the standpoint of importers of American textiles, according to a cable received by the Department of Commerce dated August 20 from Trade Commissioner E. D. Hester, Manila. Chinese dealers continue to prefer Japanese goods to American textiles owing to their ability to make some profits from the former. Another cable from Commissioner Hester dated September 16 reports that business conditions in the Philippine Islands continues seriously depressed. Textile indent agents however, claim that prospects in their line are better than for the past few months.

Production, acreage and crop condition reports

United States

Production estimate

According to the Crop Reporting Board the 1930 cotton crop for the United States is forecast at 14,340,000 bales, based on conditions as of September 1. This is 22,000 bales less than were in prospect a month earlier, 488,000 bales less than last year's crop and 688,000 bales less than the average crop of the five years 1924 to 1928. Average yield is forecast at 153.2 pounds per acre, which is 1.9 pounds less than the average for the past ten years. Condition is reported as 53.2 per cent of normal, which is 2.2 per cent below last year on the same date. The preliminary estimate of acreage left for harvest is 44,791,000 acres, abandonment after July 1 this year

being estimated at 2.2 per cent, compared with average abandonment for the past ten years of 3.5 per cent.

Abandonment is less than average in all states except Arkansas and California, in which States it is slightly more than the 10-year average.

During the past month boll weevil activity has been generally held in check by relatively hot, dry weather, and the present prospect is that total loss from weevils will be less than in any year since all States in the cotton belt proper have been infested with weevils, except 1925. In that year reported reduction from a full yield due to weevils was 4.1 per cent. While there are a few weevils in nearly all sections of the belt, the only States where they are present in considerable numbers are the Carolinas.

The crop generally is maturing and opening quite rapidly, and there are many complaints of unripe bolls opening prematurely because of the dry weather; this is especially true in the central part of the belt where the drouth has been worst.

In interpreting yield per acre from the reported condition, the Board in this report, as it has for several years past, considered not only the general condition of the crop but also supplementary information on the probable loss from weevils.

Ginnings of the 1930 crop prior to September 16

Counting round bales as half bales a total of 3,729,683 bales have been ginned from the 1930 crop prior to September 16 which compares with 3,351,613 bales for the corresponding period last year and 2,500,781 bales in 1928 according to a preliminary report of the Bureau of the Census. Texas, South Carolina, Georgia and North Carolina were the principal states in which ginnings were above last year. Mississippi, Arkansas and Louisiana were the three outstanding states in which ginnings were below the corresponding period a year ago. Ginnings in Alabama were practically the same in these two years.

Indian cotton acreage and condition

According to a cable from the International Institute of Agriculture the acreage planted to cotton prior to August 1 amounted to 14,875,000 acres which is 6 per cent below the area planted to the corresponding date last year but .5 per cent above the previous 5-year average. The revised estimate of total area planted to cotton in India last season was 25,692,000 acres. During the past fifteen years the estimated acreage planted to August 1 has averaged about 54 per cent of the final estimate and the range has been from 47.5 per cent to 66.7 per cent of the final estimate.

The condition of cotton in Punjab province, which represents on an average about 10 per cent of the acreage of the total area in cotton in India, was reported as average to good in the irrigated area and about

average in the unirrigated area. Cotton acreage in Punjab was estimated at 2,310,000 acres. At this time last season the estimated acreage in Punjab was 2,201,000 acres. The final estimate of the acreage in Punjab last season was 2,496,000 acres.

Chosen (Korea) cotton acreage

According to the International Institute of Agriculture the area planted to cotton in Chosen for the 1930-31 season amounted to 463,000 acres. This compares with the acreage of the previous season of 459,000 and 505,000 acres in 1928-29. The percentage of native cotton this year is a little less than last year resulting in an increase in the percentage of Upland cotton planted.

Miscellaneous News

Cotton cooperatives

The Federal Farm Board on August 25 made public the following statement issued by E. F. Creekmore, Vice President and General Manager of the American Cotton Cooperative Association: " Realizing the deplorable condition of the cotton farmer in the South because of the present low level of prices and through the assistance of the Federal Farm Board, the Cotton Stabilization Corporation has arranged today to advance to the various State Cotton Cooperative Associations for the benefit of their seasonal pool members approximately 90 per cent of the value of the cotton where located. On optional pool cotton the advance will be 10 per cent less than on seasonal pool cotton. As the market advances or declines the advances will be adjusted. It is believed that on the present level of prices the amount which can now be advanced the southern farmers on delivery of their cotton will enable a majority of them to take advantage of the cooperative marketing and in that way receive the benefit of any future advances in price."

The Staple Cotton Association recently announced that it is prepared to advance an amount equal to 100 per cent of the value of short cotton, the staple premiums constituting the necessary margin to the loan. If value of short cotton does not equal as much as 80 per cent of the value of staple cotton, the Association states that it will be prepared to bring the advances up to 80 per cent of the current value.

The following statement was issued September 23 by Mr. E. F. Creekmore. "The present holdings of the Cotton Stabilization Corporation amounting to about 1,300,000 bales will be maintained throughout the present cotton season ending July 31, 1931 unless the price in the meantime advances to or above the purchase price. If any part of these holdings are sold in order to meet special requirements of mills or for other sufficient reasons the quantity thus sold will be replaced immediately by the purchase of an equal number of bales so that the total holdings will remain unchanged."

The directors of the Arizona Farm Bureau Federation on August 29 submitted a plan for relieving the farmers. Their proposal was that the

farmers purchase their 1931 crop on the New York futures market, preferably July contracts. All cotton received on these contracts would be sold and handled through the Cooperatives or through the Stabilization Corporation. (The Daily News Record)

International cotton congress

Textile World for August 23 says " plans for the International Cotton Congress to be held in Paris next year are well under way it was announced by N. S. Pearce, General Secretary of the International Federation of Master Cotton Spinners' and Manufacturers' Association - - - - . The date has been definitely set for June 23 to 25, 1931. The program has not yet been completed. Paris designers are reported planning special models in cotton to be shown at the Congress."

New uses for cotton

South Carolina watermelons were shipped this season in cars lined with cotton cheese cloth with such success as to indicate an important new use for cotton, according to C. K. Everett of the Cotton Textile Institute. To protect the melons from friction the side walls and ends of the cars were cushioned with straw, the latter being held in place with a covering of cheese cloth. (Textile World August 16)

According to an announcement made September 18 by the textile division of the Department of Commerce, the rapid rise of minature golf has resulted in the use of approximately 1,500,000 yards of cotton textile fabrics on the links throughout the country. (Daily News Record, September 19)

H. S. Johnson writing in The American City, New York says "there is practical significance and experience now being made with cotton fabrics in improving country roads. The result in South Carolina since 1927, and in Texas since 1929, already have attracted notice in foreign countries as well as in the United States because of distinct changes in engineering technique. It was fitting that experiment with this new use of cotton should be undertaken first in the South where cotton is important not only as farm crop but as a manufactured product". Results indicate, the article says, that rural roads can be improved quickly, economically and satisfactorily by such use of the cotton fabric membrane in connection with light tar and asphalt oil.

Considerable interest has been shown for the use of cotton suits for men. The Governors of the various cotton growing states have been asked to assist in the spreading of this new use for cotton. (Daily News Record)

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Cotton rates revised

The Interstate Commerce Commission has issued a report revising rates on cotton from southern producing points to destinations throughout the country. Rates within the Mississippi Valley called for a reduction of about 10 per cent. The reduction in rates from points in Oklahoma would amount to about 7 to 15 per cent. In the Mississippi Valley it is estimated that there will be a slight reduction in the total expenditures of freight charges while in the southwest reductions are expected to range from $500,000 to $1,000,000. These new rates are effective January 10, 1931.

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CONTENTS

UNITED STATES DEPARTMENT OF AGRICULTURE
Bureau of Agricultural Economics
Washington

C-63 WORLD COTTON PROSPECTS October 27, 1930

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SUMMARY

Cotton prices generally weakened between mid-September and mid-October. Prices of middling 7/8 inch cotton in the ten markets declined 0.69 cents per pound from September 19 to October 17. The decline in New York and New Orleans was about the same while in Liverpool American spots declined 1.07 cents. In the futures markets for American cotton the net decline amounted to 0.55 to 0.77 cents per pound with the near months somewhat weaker than the more distant months. At Liverpool the net decline in spot prices for the more important foreign growths ranged from 0.06 to 3.28 cents per pound. The greatest declines occurred in Egyptian cottons, especially Uppers, and the smallest in Peruvian and Brazilian. The spread between f.o.b. Bremen prices for fall delivery and New York December futures, which had declined from July into early September, increased in the latter part of September.

The world visible supply of all cotton on October 10, 1930 amounted to 7.2 million bales or 1.9 million bales greater than at the same time last year. American cotton constituted 75.2 per cent of the total this year whereas last year American cotton constituted 67.4 per cent of the total. Stocks of Indian cotton in Bombay on October 10 decreased from 13.3 per cent of the total visible supply last year to 7.1 per cent this year.

Exports of American cotton during September amounted to 903,000 bales, 177,000 bales more than during September last year and were the largest since 1913. Exports during August and September this year were 317,000 bales above the same period last year. Stocks at ports and interior towns in the

United States at the end of September this year were the largest on record.

Cotton textile activity in the United States during September increased considerably, with mill consumption 42,000 bales above August compared with a 10-year average increase of about 2,000 bales. The weekly average production of standard cotton cloth in the United States increased probably less than seasonal, but sales, shipments and unfilled orders increased materially, resulting in a further reduction in stocks.

The depression in the cotton textile industry which is more or less general throughout foreign countries, continued through August and into September. Conditions in Poland, however, were improved with the rate of cotton consumption in September about 25 per cent higher than two months earlier. France reported a revival of demand from the French colonies. Conditions in the Orient were reported somewhat improved toward the end of September which should improve the outlook for export trade of Great Britain and Japan. Smaller stocks of yarn and cloth in some countries is another favorable factor.

The 1930 crop in the United States was forecast at 14,486,000 bales in October, compared with 14,340,000 bales in September and a production of 14,828,000 bales last year. During the first two weeks in October the weather has been generally favorable for picking and ginning in the Eastern Belt while in the Mississippi Valley and the section west of the Mississippi considerable rain and cloudy weather was reported with some complaint of damages. Ginnings to October 1 were considerably above last year and the year before. Cotton acreage in countries reporting to date totals 0.8 per cent below last year.

Prices

Spot

Prices of middling 7/8 inch cotton in the ten markets during the last half of September and the first half of October declined about 0.68 cents per pound. For the week ended September 20, the prices in the ten markets averaged 10.23 cents per pound. For the week ended October 18 prices averaged 9.55 cents per pound. In New Orleans, middling 7/8 inch averaged 10.68 cents per pound during the week ended September 20 and 10.15 cents per pound for the week ended October 18. The decline in New York prices was about the same with an average of 10.94 cents and 10.30 cents respectively for these two weeks.

In Liverpool, prices of all of the more important growths of cotton declined. The greatest decline occurred in Egyptian, both Sakellaridis and Uppers, and the smallest decline was in Peruvian. The declines from September 19 to October 17 were as follows: Egyptian Sakellaridis, 1.93 cents per pound; Egyptian Uppers, 3.28 cents; American middling 1.07 cents; Indian Oomra No. 1, 0.41 cents; Brazilian Ceara, 0.57 cents; and Peruvian smooth, 0.06 cents.

Competition of non-American growths 1/ - The competitive position of American cotton as against Indian and Egyptian in continental markets during September improved considerably over August. Indian cotton has been reported as favored in purchases by Italian spinners recently, but this has been in the face of a distinct rise in the price of Indian in relation to American since the beginning of August as a result of the fall in the American market and, therefore, does not seem significant. The relative price of Indian in comparison with American was higher in September than it has been since February, 1929. Egyptian Uppers have also become relatively dearer as a result of the decline in American cotton, and in September were relatively the highest since June, 1928.

1/ Based on report dated September 22, 1930 from Agricultural Commissioner L. V. Steere at Berlin, supplemented by cable October 2.

Table 1.-Bremen prices of Indian cotton in percentage of American 1/

Season	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.
	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent
1925-26	89	84	80	74	77	78	75	81	82	92	90
1926-27	105	108	86	92	91	87	87	90	87	84	73
1927-28	82	84	84	87	87	82	81	82	78	80	77
1928-29	79	78	78	76	74	73	72	70	68	72	72
1929-30	73	72	72	70	72	68	67	70	64	64	76

1/ Average of Bremen quotations for Fine mgd. Scindh; fine mgd. Oomra No. 2, f. st., Fine mgd. Broach, American Seed No. 1 (Punjab).

Table 2.-Prices of Egyptian Uppers at Liverpool in percentage of American at Bremen 1/

Season	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.
	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent
1925-26	127	127	117	108	109	105	113	112	107	107	118
1926-27	130	114	119	113	117	113	122	127	126	128	112
1927-28	120	115	117	115	119	124	120	114	108	105	104
1928-29	102	103	103	105	104	100	100	96	96	94	100
1929-30	98	97	98	104	104	100	103	101	111	108	116

1/ Bremen quotation for strict middling American, 1 1/16".

"Basis" at Bremen 1/ - Quotations of the "basis" for new crop cotton have experienced considerable recession during recent months. The decline was especially important from mid-August to mid-September and notably for 15/16" cotton of good middling and strict middling grades and for 1 1/32" and above in middling cotton. (From cable) From September 15 to October 1 the "basis" improved considerably in all qualities except middling 15/16 inch which continued to decline.

Table 3.-"Basis" for new crop, points on December, New York delivery October to December, f. o. b. Bremen 1/

Grade	Staple	May 26	June 23	July 14	July 28	Aug. 19	Sept. 15	Oct. 1
Good middling	15/16	240	225	225	210	195	165	182
	1 1/16	490	435	440	420	380	340	377
Strict middling ..	15/16	210	190	200	180	165	135	177
	1 1/16	460	370	410	365	345	320	347
Middling	15/16	170	145	160	140	145	125	117
	1 1/32	285	245	260	215	215	185	197
	1 1/16	400	310	350	325	290	260	272
Strict low middling	15/16	90	65	75	75	60	45	57
	1 1/16	-	-	210	150	220	-	-

1/ From Agricultural Commissioner Steere's report.

Futures

Cotton futures prices in New York from September 19 to October 17 declined 0.55 to 0.72 cents per pound with the greatest decline in the October contract. In New Orleans and Liverpool the futures prices were very much in line with the New York market and from September 19 to October 17 declined 0.61 to 0.74 cents and 0.65 to 0.77 cents per pound respectively. In all three of these markets the near months were somewhat weaker than the more distant months.

Stocks and movements

World visible supply

The total visible supply on October 10 according to the Commercial and Financial Chronicle, amounted to 7.2 million running bales, of which 5.4 million bales or 75.2 per cent of this total was American cotton. This compares with the total of all kinds of 5.3 million bales on the corresponding date last year and the total visible of American cotton of 3.6 million or 67.4 per cent. In other words American cotton this year constituted a 7.8 per cent greater proportion of the world total than at the same time last year.

The greatest increase in the supply of American cotton was in port stocks in the United States. These stocks constituted 42.4 per cent of the total this year compared with 30.2 per cent last year. The greatest change in the visible supply of foreign cotton was in the stocks in Alexandria, Egypt and Bombay, India, the stocks in Alexandria being considerably larger and stocks in Bombay considerably smaller this year as compared with last year.

Table 4. - World visible supply of cotton: American and other growths on October 10, 1929 and 1930

Location of stocks	1929 Total	1929 Percentage of total	1930 Total	1930 Percentage of total
	Running bales	Per cent	Running bales	Per cent
American				
Great Britain	234,000	4.4	244,000	3.4
Continental	317,000	6.0	448,000	6.2
Afloat for Europe	532,000	10.1	566,000	7.9
Port stocks	1,596,884	30.2	3,052,226	42.4
Interior stocks	881,858	16.7	1,098,865	15.3
Exports today (Aug. 1)	---	---	400	---
Total American	3,561,742	67.4	5,409,491	75.2
East Indian, Brazilian, etc.				
Great Britain	437,000	8.3	465,000	6.4
Continental	90,000	1.7	116,000	1.6
Indian afloat for Europe	104,000	2.0	72,000	1.0
Egyptian, Brazilian, etc, afloat	149,000	2.8	108,000	1.5
Alexandria, Egypt	240,000	4.5	517,000	7.2
Bombay, India	705,000	13.3	514,000	7.1
Total East Indian, Brazilian etc.	1,725,000	32.6	1,792,000	24.8
Total visible supply	5,286,742	100.0	7,201,491	100.0

Compiled from the Commercial and Financial Chronicle.

Exports of American cotton

Exports of domestic cotton during September, 1930 amounted to 903,000 running bales compared with 726,000 bales during September last year and 810,000 bales in September 1928 and were the largest for the month of September since 1913, according to the Bureau of the Census. Exports during September this year to France, Germany, and Japan were above last year, whereas exports to the United Kingdom, Italy and other European countries were below September last year. These large exports indicate that most foreign spinners are taking advantage of the present low price of American cotton and are obtaining supplies for future need.

Table 5 - Cotton: Exports from the United States during September by countries, 1925-1930

Year	United Kingdom	France	Italy	Germany	Other Europe	Japan	All other countries	Total
	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales
1925	183	64	47	248	128	65	15	750
1926	181	69	50	266	126	76	21	789
1927	64	79	27	255	105	77	13	620
1928	90	84	68	249	150	140	29	810
1929	139	93	84	204	92	87	27	726
1930	125	153	48	316	87	133	41	903

Compiled from reports of the Bureau of the Census.

Imports of foreign cotton

Imports of foreign cotton during September amounted to about 3,000 bales of 500 pounds gross, compared with imports during September 1929 of about 24,000 bales, 19,000 bales in 1928 and 26,000 bales in 1927, according to the Bureau of the Census. The greatest decrease in imports this year was in Egyptian cotton. While 16,000 bales were imported during September last year there were no imports from Egypt during September this year. This decline in imports from Egypt is of course due to the tariff on long staple cotton.

Into sight, port receipts, mill takings, etc

The into sight movement during September, 1930 amounted to 2.4 million running bales and with the exception of last year was the largest for the month since before 1920, according to the New Orleans Cotton Exchange. The total into sight movement during August and September this year amounted to 3,274,000 bales compared with 3,253,000 bales during

these two months last year. This was an increase of 21,000 bales during the first two months this season over last season and compares with an increase in ginnings for these two months of about 402,000 bales over last year. This seems to indicate that there is considerable holding on the part of the farmers this year. Port receipts during September amounted to 1.7 million bales compared with 1.3 million bales in September 1929 and were the largest for the month of September since prior to 1920. The overland movement and American mill takings in September this year were below those for September 1929. Stocks at ports and interior towns at the end of September were estimated by the New Orleans Exchange to be about 3.8 million bales or about 1.7 million bales more than at the end of September last year, and were the largest on record for this time of year.

Table 6 - Cotton: Movement and stocks in the United States for September, 1920-1930

Year	In sight	Port receipts	Overland	American mill takings	Stocks at ports and interior towns at end of month
	Running bales	Running bales	Running bales	Running bales	Running bales
1920	771,590	443,149	17,324	254,460	1,607,602
1921	1,145,168	667,845	106,343	447,188	2,331,359
1922	1,369,011	803,183	40,952	366,864	1,280,493
1923	1,467,208	929,134	29,402	442,511	1,052,659
1924	1,845,069	1,166,007	36,247	453,937	1,164,383
1925	2,332,283	1,373,757	54,507	478,861	1,765,945
1926	2,125,808	1,510,337	67,795	561,688	1,779,951
1927	1,999,710	1,416,582	42,800	475,481	1,289,004
1928	2,026,530	1,309,675	29,881	437,922	1,782,765
1929	2,430,663	1,339,682	94,133	529,098	2,148,508
1930	2,409,730	1,672,445	43,881	383,253	3,799,382

Compiled from reports of the New Orleans Cotton Exchange.

Textile situation

United States

Domestic consumption of raw cotton during September showed a significant increase as compared with the low rate of activity during August. Consumption of raw cotton during September amounted to 394,000 running bales compared with 352,000 bales during August and 379,000 bales during July according to the Bureau of the Census. This increase in consumption during September over August was more than the average annual increase. During the 10-year period 1920-21 to 1929-30 the average annual increase of September over August amounted to about 2,000 bales. This compares with the increase this year of 42,000 bales. Consumption during August and September last year amounted to 559,000 bales and 546,000 bales respectively. For monthly consumption of raw cotton in the United States see accompanying Tables.

The weekly average production of standard cotton cloth in September amounted to 45.6 million yards which was an increase of 1.8 million yards over the weekly average during August, according to the Association of Cotton Textile Merchants of New York. During the two previous years for which comparable records are available the weekly average increase in production of cotton cloth during September over August was about 6.5 million yards. This indicates that the increased production during September was probably less than seasonal. This curtailed production together with a weekly average increase of 25.9 million yards in sales and 11.9 million yards in shipments resulted in a ratio of sales to production during September of 160.1 per cent and a ratio of shipments to production of 127.7 per cent. The ratio of sales to production is the largest since October 1928. The ratio of shipments to production is the largest on record of comparable data extending back as far as October 1927. Stocks of standard cotton cloth decreased more than 50.0 million yards or 11.4 per cent during September. This decrease in stocks is the largest for any month on record. Unfilled orders increased 26.1 per cent during September and were the largest since the end of April.

Table 7.-Cotton, all kinds 1/: Consumption in United States 1912-13 to 1930-31

Season beginning Aug. 1	Aug. 1,000 running bales 3/	Sept. 1,000 running bales 3/	Oct. 1,000 running bales 3/	Nov. 1,000 running bales 3/	Dec. 1,000 running bales 3/	Jan. 1,000 running bales 3/	Feb. 1,000 running bales 3/	Mar. 1,000 running bales 3/	Apr. 1,000 running bales 3/	May 1,000 running bales 3/	June 1,000 running bales 3/	July 1,000 running bales 3/	Total 2/ 1,000 running bales 3/
1912-13	---	412	484	449	423	510	448	462	479	482	441	462	5051
1913-14	432	442	512	456	456	517	455	493	500	467	446	448	5626
1914-15	384	415	452	421	451	468	463	525	514	494	515	497	5597
1915-16	464	499	501	515	555	542	541	614	532	576	571	490	6398
1916-17	558	528	551	583	537	601	547	604	552	615	574	538	6789
1917-18	569	522	585	590	516	524	510	571	544	576	516	541	6566
1918-19	535	490	440	456	473	557	433	435	476	488	474	510	5766
1919-20	497	491	556	491	512	592	516	576	567	541	555	525	6420
1920-21	484	458	401	333	295	366	395	438	409	441	462	410	4893
1921-22	467	485	494	528	511	527	472	520	444	495	509	458	5910
1922-23	526	494	534	579	529	610	567	624	577	621	542	463	6666
1923-24	492	486	543	533	464	578	509	486	479	414	350	347	5681
1924-25	357	438	534	495	534	594	551	583	597	532	494	484	6193
1925-26	451	483	544	543	576	582	565	636	578	516	519	462	6456
1926-27	500	571	568	584	603	603	590	693	618	630	660	570	7190
1927-28	635	628	614	627	559	586	573	581	525	577	510	440	6834
1928-29	526	492	616	611	533	668	595	632	632	669	569	547	7091
1929-30	559	546	640	541	453	576	494	508	532	473	405	379	6106
1930-31	352	394											

Compiled from "Cotton Production and Distribution" issued by the Bureau of the Census.

1/ Excluding linters. 2/ Sum of monthly figures may not check to the total because both totals and the monthly figures were rounded to thousands. 3/ Running bales counting round bales as half bales, foreign cotton in 500 pound bales.

Table 8.-Cotton, American 1/: Consumption in United States 1912-13 to 1930-31

Season beginning Aug. 1	Aug. 1,000 running bales 3/	Sept. 1,000 running bales 3/	Oct. 1,000 running bales 3/	Nov. 1,000 running bales 3/	Dec. 1,000 running bales 3/	Jan. 1,000 running bales 3/	Feb. 1,000 running bales 3/	Mar. 1,000 running bales 3/	Apr. 1,000 running bales 3/	May 1,000 running bales 3/	June 1,000 running bales 3/	July 1,000 running bales 3/	Total 2/ 1,000 running bales 3/
1912-13	---	393	461	431	402	485	427	442	457	462	425	447	4832
1913-14	419	428	494	445	443	502	442	475	389	447	429	431	5343
1914-15	369	401	436	407	434	450	444	503	491	472	492	475	5375
1915-16	442	475	475	488	525	513	514	582	507	549	544	466	6081
1916-17	532	503	522	554	511	571	521	575	528	587	550	516	6470
1917-18	548	504	566	571	501	509	496	557	532	562	504	530	6383
1918-19	524	479	430	445	459	539	418	418	458	472	457	491	5589
1919-20	476	468	527	464	479	555	484	535	522	500	509	485	6003
1920-21	451	432	383	319	285	355	383	424	393	421	441	390	4677
1921-22	442	464	470	498	481	500	447	494	421	472	486	438	5613
1922-23	504	476	513	552	502	577	534	589	542	583	513	437	6322
1923-24	467	462	514	505	436	545	477	454	448	389	329	327	5353
1924-25	339	416	511	478	511	568	526	559	571	508	470	460	5917
1925-26	429	457	519	525	554	557	540	607	554	494	497	442	6176
1926-27	478	542	541	562	582	580	567	665	593	602	626	542	6380
1927-28	605	601	587	600	514	559	546	557	502	555	489	420	6555
1928-29	502	470	589	588	511	639	569	604	604	639	544	519	6778
1929-30	530	519	610	516	428	549	469	483	504	449	585	530	5803
1930-31	339	379											

Compiled from "Cotton Production and Distribution" issued by the Bureau of the Census.

1/ Excluding linters.

2/ Sum of monthly figures may not check to the total because both the totals and the monthly figures were rounded to thousands.

3/ Running bales counting round bales as half bales.

Great Britain

The textile situation in Great Britain during September continued unsatisfactory with exports of cotton piece goods amounting to 142.7 million square yards compared with 168.0 million square yards during August and 237.5 million square yards during September last year. This was 2.9 million square yards below the previous pre-war low which was made in May, 1921. Exports of cotton yarns during September totaled 9.1 million pounds, 1.1 million pounds below August and 1.1 million pounds below September, 1929 and were the lowest since July 1921. Cabled reports of the first three weeks in October indicate a situation slightly improved. A cable from Manchester on October 17 states that there is a more active demand for yarn and cloth due to larger buying for India and China.

Consumption of all kinds of cotton in Great Britain for the 1929-30 season amounted to 2,445,000 bales of approximately 500 pounds, which compares with 2,852,000 bales during the previous season and was the lowest since the 1920-21 season. Consumption of American cotton in Great Britain during the past season amounted to 1,474,000 running bales compared with 1,910,000 during the 1928-29 season and was 204,000 bales lower than the 1920-21 season.

Table 9.-Cotton: Mill consumption of American and all growths in Great Britain, 1920-21 to 1929-30

Season beginning Aug. 1	American	All growths
	1,000 bales of 500 lbs.	1,000 bales of 500 lbs.
1920-21	1,678	2,112
1921-22	2,275	2,964
1922-23	1,919	2,850
1923-24	1,695	2,815
1924-25	2,344	3,336
1925-26	2,093	3,084
1926-27	2,077	3,051
1927-28	1,949	2,933
1928-29	1,910	2,852
1929-30	1,474	2,445

Figures of International Federation of Master Cotton Spinners in running bales converted to bales of approximately 500 pounds gross.

Continental Europe 1/

The long prevailing depression in the continental cotton textile industry persisted in September over the Continent as a whole, and offered little promise of early general improvement even though the situation was not without a few brighter spots. It was evident that spinners were generally more ready to buy raw material at current prices, and stocks of goods were known to be much reduced, but the persistence of slow distributor and consumer demand, and prospects that business conditions would remain poor this winter, were causing continued uncertainty and reluctance all along the line.

The volume of new business booked by spinning and weaving establishments into September was generally restricted for the Continent as a whole, although France reported a good flow of business and a rising tendency from previous low levels developed in Poland. Germany, Czechoslovakia and Austria continued to be the center of the depression, but sales conditions in Italy were also very difficult with export business declining and domestic market prospects impaired by increasing business depression. Following the resumption of work in the textile strike centers in France, a good volume of both yarn and cloth sales was reported, increasing cloth trade with the colonial markets being especially noted.

Mill activity for Europe as a whole showed little change from previous levels, during August and the first half of September, notwithstanding some seasonal improvement in certain places. Generally speaking, activity remained much curtailed in Central and Southern Europe, despite small seasonal pick-ups, but continued relatively high in France. The July figures recently available for Germany show an upturn after a considerable decline in previous months.

Continental spinner demand for raw cotton in recent weeks offers one of the few encouragements to be found in a situation of general depression. In spite of relatively unsatisfactory tendencies in mill activity and sales of mill output, the inquiry for raw material by spinners recently has been good in most of the important continental spinning centers, but particularly Germany and France. Spinners appear to regard present levels of raw cotton as an attractive opportunity to buy and there is some tendency evident to cover future requirements, even for the more distant months of the new cotton year, though the volume of purchases as yet has not assumed the proportions of 1926. Cotton merchants have also made a fair volume of c.i.f. import purchases in recent weeks, doubtless a direct result of the fact that the trade has been better satisfied with raw cotton

1/ Based on report dated September 22, 1930 from Agricultural Commissioner L. V. Steere at Berlin, supplemented by cable October 2.

sales in recent weeks than it has for many months. The increased interest apparent in raw material on the part of manufacturers and the trade is based, however, not only on current favorable prices, but also upon general expectation of real improvement in yarn and cloth sales in coming months as a result of the reduced levels of cotton yarn and goods stocks in the important textile centers and in the hands of the distributing trade. This more liberal buying policy undoubtedly also anticipates a stimulus to the demand for goods from improved economic conditions later on. Generally speaking, the situation bears considerable resemblance to that of 1926, when, aided by unusually low prices, the continental cotton industry was one of the first to show activity following the business depression in previous months.

The competition of foreign growths with American cotton developed strikingly for the season 1929-30 as there was a further shift in consumption from American to other growths. The decline in mill consumption of American cotton was greater than the fall in total mill consumption, total consumption of raw cotton dropping from 5,845,000 bales in 1928-29 to 5,595,000 in 1929-30 or 250,000 bales of 500 pounds gross, while mill consumption of American cotton showed a decline of 470,000 bales. Sundries increased 100,000, Indian 90,000, and Egyptian 30,000 bales of 500 pounds gross. This is a continuation of the tendency evident since 1927-28 and the striking figures this year can be attributed directly to the unusually low levels of prices prevailing for foreign cottons.

Table 10 - Cotton: Mill consumption of American and all growths on the Continent of Europe, 1926-27 to 1929-30

Season beginning Aug. 1	American	Indian	Egyptian	Sundries	Total
	1,000 bales of 500 lbs.	1,000 bales of 500 lbs.	1,000 bales of 500 lbs.	1,000 bales of 500 lbs.	1,000 bales of 500 lbs.
1926-27	4,407	684	485	162	5,738
1927-28	4,650	770	478	185	6,083
1928-29	4,239	924	506	176	5,845
1929-30	3,772	1,010	537	276	5,595

Figures of the International Federation in running bales converted into 478 pounds net or 500 pounds gross bales on basis of the following coefficients: 1 Indian bale = .8 American bales; 1 Egyptian bale = 1.48 American bales; 1 "Sundries" bale = .72 American bales.

Table 11 - Cotton: Continental mill consumption of various growths of cotton expressed as a percentage of the total, 1926-27 to 1929-30

Year beginning Aug. 1	American	Indian	Egyptian	Sundries	Total
	Per cent	Per cent	Per cent	Per cent	Per cent
1926-27	77	12	8	3	100
1927-28	76	13	8	3	100
1928-29	73	16	8	3	100
1929-30	67	18	10	5	100

Continental mill consumption of cotton 1929-30

The cotton year 1929-30 brought a further decrease in mill consumption on the Continent and restricted mill activity. Some of the smaller countries showed moderate increases, for example, Belgium, Holland, Spain and the group comprising Hungary, the Scandinavian countries, Finland and Portugal, but important declines occurred in all of the leading manufacturing countries. The countries reporting some increase in mill consumption and hence mill activity were generally those where economic conditions during 1929-30 were still relatively good. This is substantiation of the fact that the 1929-30 depression in the cotton trade is characterized by unusual weight from the demand side. Current low levels of general business were not anticipated nine or ten months ago.

Table 12 - Cotton: Mill consumption in continental countries, 1927-28 to 1929-30

Country	1927-28	1928-29	1929-30
	1,000 running bales	1,000 running bales	1,000 running bales
Germany	1,585	1,378	1,323
France	1,180	1,227	1,171
Italy	954	1,042	1,001
Czechoslovakia	546	495	461
Belgium	424	452	461
Spain	413	404	412
Poland	360	251	225
Switzerland	116	105	101
Holland	183	190	206
Austria	164	149	117
Sweden, Portugal .... Finland, Denmark, Norway, Hungary	307	287	302
Total 16 Countries	6,232	5,980	5,780

Germany

Difficult conditions continued in the German cotton textile industry through August and early September, with orders remaining on an unsatisfactory level and occupation only slightly above the low point in the first half of the year.

Spinning mills during August reported no real betterment in new sales, notwithstanding a small revival at the end of the month and early in September in southern Germany and parts of Saxony. In the textile centers of western Germany, further declines in new business occurred. Unfilled orders are quite generally on a very low level as a result of these conditions. The level of spinning mill activity also remained low though there was a considerable pick-up in July following the sharp drop in June.

During August cloth mills also reported unfavorable sales, a situation which was aggravated by seasonal caution of buyers. Unfilled orders are now materially below last year and below the worst months of 1928. It is generally maintained by German weavers that the decline in raw cotton added to other difficulties in the sale of fabrics. Weaving mill activity is now also low but registered a seasonal improvement in July to a level somewhat above the same month a year ago.

Imports of cotton yarns during August amounted to 4,949,000 pounds compared with 4,844,000 pounds during July and 6,583,000 pounds during August last year. Imports of woven cotton materials during August declined 203,000 pounds as compared with July, but were only 24,000 pounds below August 1929. Thus the situation in the cotton textile industry in Germany is still very unfavorable, although ground for encouragement exists. Stocks of yarn and goods with the industry and in the hands of the trade remain very low, undoubtedly near a minimum from an operating standpoint. Furthermore, stocks with the retail trade are small, a fact proved by demands for the shortest possible delivery dates on the part of retailers engaged in purchases. In addition, the turnover in the textile retail trade has recently shown a slight rise in places.

Further ground for optimism is also to be found in the fact that spinner buying of raw cotton in Bremen has continued rather active through August and early September, with spinners calling freely on declines. The present raw cotton price level is considered attractive by German spinners, and spot and c.i.f. import purchases of the dealers have also been of fair volume in recent weeks.

The following Table gives the cotton consumption figures of the German cotton industry in 1929-30 as shown in data published by the International Federation of Masters Cotton Spinners' and Manufacturers' Associations, (converted to bales of 500 pounds gross).

Table 13 - Cotton: Mill consumption of American and all growths in Germany, 1920-21 to 1929-30

Season beginning Aug. 1	American	All growths
	1,000 bales of 500 lbs.	1,000 bales of 500 lbs.
1920-21	644	860
1921-22	911	1,162
1922-23	784	1,030
1923-24	696	946
1924-25	916	1,189
1925-26	884	1,125
1926-27	1,214	1,468
1927-28	1,276	1,564
1928-29	1,024	1,353
1929-30	923	1,292

Figures of International Federation of Master Cotton Spinners in running bales converted to bales of approximately 500 pounds gross.

The decline in consumption of American cotton was about twice as large as the decline in total mill consumption, in other words, consumption of Indian, Egyptian and exotic cotton showed a substantial increase. The further neglect of American cotton because of price relationships early in the season favoring other growths is also evident in official German import statistics for the first half of 1930 which show imports of American cotton amounting to 67 per cent of the total imports compared with 75 per cent during the first half of 1920; 20 per cent for Indian cotton compared with 17 per cent, and 8 per cent for Egyptian cotton compared with 4 per cent during the first half of 1929.

Austria and Czechoslovakia

Reports from Austria and Czechoslovakia are still very pessimistic and indicate that no improvement has taken place in the last half of August and the first three weeks in September. The National Bank of Prague in its last report states that the situation of the textile mills continues one of the most critical problems of the general economic depression. Private reports from Austria also indicate very unsatisfactory new business as well as a low level in mill activity, with weavers reporting that business was impaired by the decline on the raw cotton market. As both the industry and the trade have merely covered immediate requirements during the past few months, however, stocks of yarn and goods in both Austria and Czechoslovakia in the hands of the trade and industry are small. An indication of export market developments is well shown by the fact that Austrian cotton yarn exports during the first half of 1930 were 35 per cent less than during the first half of 1929, with Rumania and Yugoslavia figuring as the most important customers at present. Exports during July, however, improved considerably. Yarn exports amounted to 3,909,000 pounds, an increase of 439,000 pounds over June and 97,000 pounds over July 1929. Total exports for the 1929-30 season amounted to 50.6 million pounds compared with 47.8 million pounds the previous season. Exports of cotton fabrics during July amounted to 5,569,000 pounds compared with 4,067,000 pounds during June and 6,362,000 pounds during July last year. Cotton fabric exports for the 1929-30 season totaled 78.9 million pounds against 85.5 million pounds for the season 1928-29.

Consumption figures for Czechoslovakia and Austria reveal the unsatisfactory conditions during the past cotton year very clearly, with both countries also turning from American to Non-American growths.

Table 14.-Cotton: Mill consumption of American and all growths in Czechoslovakia, 1920-21 to 1929-30

Season beginning Aug. 1	American	All growths
	1,000 bales of 500 lbs.	1,000 bales of 500 lbs.
1920-21	208	254
1921-22	309	366
1922-23	178	244
1923-24	267	399
1924-25	342	467
1925-26	353	466
1926-27	408	500
1927-28	434	542
1928-29	377	487
1929-30	321	444

Figures of International Federation of Master Cotton Spinners in running bales converted to bales of approximately 500 pounds gross.

Table 15.-Cotton: Mill consumption of American and all growths in Austria, 1920-21 to 1929-30

Season beginning Aug. 1	American	All growths
	1,000 bales of 500 lbs.	1,000 bales of 500 lbs.
1920-21	54	85
1921-22	86	109
1922-23	61	98
1923-24	65	117
1924-25	85	128
1925-26	104	151
1926-27	113	144
1927-28	122	160
1928-29	103	143
1929-30	74	111

Figures of International Federation of Master Cotton Spinners in running bales converted to bales of approximately 500 pounds gross.

Hungary

Hungary continues to report relatively favorable business conditions for both spinning and weaving mills, as well as satisfactory levels of mill activity.

France

The outlook in France has been somewhat improved recently by the termination of the textile strikes as well as a revival of demand for cotton goods from the French colonies. This means that a relatively favorable situation still prevails in the French industry, because unfilled orders as well as mill activity were previously on satisfactory levels though somewhat reduced as a result of the extensive strikes.

Following the settlement of the labor troubles in the Lille region during the second half of August, strikes at Roubaix-Tourcoing and other regions came to an end around the middle of September, and the general feeling of the trade is now somewhat more optimistic. A good current of yarn business was registered at Rouen, Epinal and Mulhouse during the latter part of August and early in September, when Roubaix-Tourcoing was still complaining of an accumulation of yarn stocks and the possibility of a reduction in working hours. Later, the stiuation improved at Roubaix when quite important sales were effected. At the same time, weaving mills reported a good volume of new business with grey as well as colored goods out of stocks involved in the new sales which extended to the end of the year and even into 1931. Recently improved demand for cotton goods at Epinal and Roubaix on the part of Algeria has been favorably commented upon in the outlook for future developments.

Spinner demand for raw cotton, while somewhat quiet late in August, showed a revival early in September, when price fixing was also important. It is rumored that spinner interest extended as far as May 1931.

Despite relatively favorable conditions in the French cotton textile industry, the year 1929-30 also brought a decline in total raw cotton consumption, with a shift from American to other cottons, as in other countries. French consumption of Egyptian staples has slumped however, in the last half of the season.

Table 16.-Cotton: Mill consumption of American and all growths in France, 1920-21 to 1929-30

Season beginning Aug. 1	American	All growths
	1,000 bales of 500 lbs.	1,000 bales of 500 lbs.
1920-21	583	722
1921-22	799	1,035
1922-23	790	1,154
1923-24	700	1,056
1924-25	806	1,127
1925-26	835	1,176
1926-27	825	1,170
1927-28	839	1,169
1928-29	824	1,212
1929-30	728	1,155

Figures of International Federation of Master Cotton Spinners in running bales converted to bales of approximately 500 pounds gross.

Italy

Conditions in the Italian cotton textile industry are unchanged and relatively unsatisfactory. New business of both spinning and weaving mills is reported rather poor, and unfilled orders considerably below last year, while stocks of yarn as well as cotton goods are materially above the same time a year ago. Sales have recently continued below current levels of production with stocks showing a tendency to rise further. The activity of spinning and weaving mills is now substantially below last year.

Despite the unfavorable business outlook, the demand by Italian spinners at the beginning of September for spot and c.i.f. cotton was of fair volume, and some large purchases of Indian cotton were made toward the middle of the month. Other growths appeared neglected.

Mill consumption of raw cotton in Italy shows a decline for 1929-30 of about 5 per cent, with the decline in consumption of American cotton more than accounting for the decrease in total mill consumption.

Table 17.-Cotton: Mill consumption of American and all growths in Italy, 1920-21 to 1929-30

Season beginning Aug. 1	American 1,000 bales of 500 lbs.	All growths 1,000 bales of 500 lbs.
1920-21	562	763
1921-22	573	769
1922-23	601	865
1923-24	547	906
1924-25	639	963
1925-26	712	1,004
1926-27	680	913
1927-28	707	935
1928-29	745	1,017
1929-30	664	967

Figures of International Federation of Master Cotton Spinners in running bales converted to bales of approximately 500 pounds gross.

Belgium

While total mill consumption of cotton in Belgium in 1929-30 remained about level with the previous cotton year, consumption of American cotton fell off about 20 per cent.

Table 18.-Cotton: Mill consumption of American and all growths in Belgium, 1920-21 to 1929-30

Season beginning Aug. 1	American	All growths
	1,000 bales of 500 lbs.	1,000 bales of 500 lbs.
1920-21	113	192
1921-22	136	234
1922-23	129	245
1923-24	121	265
1924-25	149	274
1925-26	177	319
1926-27	207	333
1927-28	215	380
1928-29	219	405
1929-30	180	402

Figures of International Federation of Master Cotton Spinners in running bales converted to bales of approximately 500 pounds gross.

Poland

The slight improvement in the cotton textile situation reported for Poland during the last two months has continued and activity has shown further increase due to seasonal tendencies. However, the price raising policy of the yarn cartel has found strong opposition from yarn consuming manufacturers because it has impaired the competitive strength of Polish cotton fabrics in foreign markets. Following the recent increase in spinning activity from 46 to 51 working hours per week, another increase from 51 to 58 hours has taken place. In other words the rate of cotton consumption has been advanced about 25 per cent.

Both the weaving mills and the yarn trade are now in opposition to the spinners' cartel and are discussing a cartel of the weaving mills, at the same time urging the government to grant a duty-free yarn import contingent in order to relieve the weaving mills from the conditions brought about by the price policy of the yarn cartel. Czechoslovakian and Austrian banks are said to have offered easy credit terms to Polish weavers for purchases of cotton yarn in these countries. Recently, however, spinners and weavers seem to have reached a somewhat better understanding of their mutual interests. In general it seems that the cotton textile situation in Poland has somewhat further improved. The heavy decline in mill consumption of cotton which occurred in Poland during 1929-30 all fell to American cotton.

Table 19.-Cotton: Mill consumption of American and all growths in Poland, 1920-21 to 1929-30

Season beginning Aug. 1	American	All growths
	1,000 bales of 500 lbs.	1,000 bales of 500 lbs.
1920-21	97	129
1921-22	170	210
1922-23	167	219
1923-24	129	173
1924-25	164	203
1925-26	158	186
1926-27	271	317
1927-28	318	358
1928-29	210	254
1929-30	184	222

Figures of International Federation of Master Cotton Spinners in running bales converted to bales of approximately 500 pounds gross.

Japan

The textile situation in Japan was somewhat brighter toward the end of September because of the decrease in stocks of yarn and cloth, according to a report from Consul Dickover at Kobe. This report also states that large orders for cloth have been received from China and India. Output of yarn in August amounted to only 72.4 million pounds, but it is feared that production will increase with the brighter prospects. This is the result of this fear on the part of the mill owners. They have agreed to a curtailment of output of 7 per cent from October 1 to the end of the year. Nominal curtailment will then be 34 per cent, but actual curtailment will be about 30 per cent and monthly production about 76.0 million pounds. As a result of the decrease in stocks prices of yarn have risen and by this curtailment in production the mills hope to maintain these high prices. Cloth production in August amounted to 95 million yards which was a decrease from previous months. Exports of cloth during August increased.

The cable from the American Consular's Office at Kobe on October 22, reported that the Japanese mill situation was less buoyant during the previous 30 days. Demand, however, was reported fairly steady due principally to orders for home consumption. The curtailed production reported in the September cable has gone into effect and the mills are apparently comfortably fixed in this respect until the end of the current calendar year. Prices of piece goods and yarn are now somewhat higher and will yield a fair margin of profit to the mills. During the first of October prices of spool yarns for immediate delivery were 17 per cent higher than for April delivery due to scarcity of stocks. The monthly production of yarn which is running below 80 million pounds is probably insufficient for Japanese requirement. Yarn production during September amounted to 78 million pounds.

Table 20.-Cotton: Mill consumption of American and all growths in Japan, 1920-21 to 1929-30

Season beginning Aug. 1	American 1,000 bales of 500 lbs.	All growths 1,000 bales of 500 lbs.
1920-21	622	1,847
1921-22	726	2,088
1922-23	723	2,247
1923-24	579	2,043
1924-25	689	2,182
1925-26	882	2,479
1926-27	1,132	2,562
1927-28	1,078	2,312
1928-29	1,100	2,487
1929-30	1,092	2,678

Figures of International Federation of Master Cotton Spinners in running bales converted to bales of approximately 500 pounds gross.

In Japan the consumption of all kinds of cotton in the 1929-30 season amounted to 2,678,000 bales of approximately 500 pounds. This was an increase of 191,000 bales over the previous season. Consumption of American cotton in Japan during the past season, however, was slightly below that for the 1928-29 season amounting to 1,092,000 running bales.

China

Stocks of Chinese yarn have increased with the exception of a few mills due to day and night operations, according to a cable from Agricultural Commissioner Nyhus at Shanghai on September 23. As a result of these larger stocks and of political conditions, the trend of yarn prices have been somewhat downward. Military and political events are speculative factors in the market outlook, but mill owners are confident that if the country could have reasonably peaceful conditions for a time yarn would move quickly into the interior and improve the general situation. During the week prior to September 23 the demand for yarns improved and prices advanced considerably as a result of improved social conditions in Northern China with exchange somewhat better. Piece goods prices are moving closer to current replacement costs and the market is considered in a healthier condition than formerly. In the Japanese mills the production for many months ahead has already been sold.

The decline in yarn prices continued into October according to cable from Commissioner Nyhus on October 21. This was a disappointment to many in the trade who expected a substantial improvement with the improvement in the civil conditions in Northern China. Deliveries of yarn, on the other hand, have been quite satisfactory and mills are running almost to capacity without stocks becoming excessive. Deliveries in some lines of piece goods have been good and the market is steadily improving. The exchange rates have brought about increased prices of piece goods and the weaving industry in China has had a very flourishing period. As a result, several mills are adding new looms.

Table 21.-Cotton: Mill consumption of American and all growths in China, 1920-21 to 1929-30

Season beginning Aug. 1	American	All growths
	1,000 bales of 500 lbs.	1,000 bales of 500 lbs.
1920-21		502
1921-22	132	1,420
1922-23	110	1,540
1923-24	78	1,505
1924-25	71	1,542
1925-26	120	1,657
1926-27	274	1,828
1927-28	297	1,954
1928-29	279	1,877
1929-30	292	2,205

Figures of International Federation of Master Cotton Spinners in running bales converted to bales of approximately 500 pounds gross.

The total consumption of all kinds of cotton in China during the 1929-30 season amounted to 2,205,000 bales of approximately 500 pounds compared with 1,877,000 the previous season. Consumption of American cotton the past season amounted to 292,000 bales compared with 279,000 bales during the 1928-29 season and 297,000 during the 1927-28 season.

Production, acreage and crop condition reports

United States

Production estimate - The Crop Reporting Board of the Bureau of Agricultural Economics from the conditions of the cotton crop on October 1 forecast the 1930 crop at 14,486,000 bales of 500 pounds gross. This was 146,000 bales or 1 per cent above the forecast of a month earlier and approximately 342,000 bales below production last year. Crop prospects during September declined in Texas, Mississippi, Tennessee and Virginia, but this was mo e than offset by increases in other States, particularly Georgia, North Carolina and Alabama. (See accompanying Table).

Table 22.- 1930 United States cotton crop: Indicated production by condition on October 1 with comparisons 1/

State	1929 crop 2/	1930 crop indicated by conditions Sept. 1	1930 crop indicated by conditions Oct. 1
	1,000 bales	1,000 bales	1,000 bales
Va.	48	40	34
N. C.	747	819	870
S. C.	830	997	1,010
Ga.	1,343	1,500	1,580
Fla.	29	36	44
Mo.	220	148	150
Tenn.	515	437	420
Ala.	1,342	1,358	1,400
Miss.	1,915	1,685	1,660
La.	809	649	665
Tex.	3,940	4,321	4,275
Okla.	1,143	925	925
Ark.	1,435	940	960
N. Mex.	90	97	100
Ariz.	153	159	165
Calif.	260	224	224
Others	9	5	4
U. S.	14,828	14,340	14,486

1/ In bales of 500 pounds gross weight.
2/ Allowances made for cross State ginnings.

Weather since October 1 - For the week ended October 7 the dry, cool weather was unusually favorable for picking and ginning cotton over practically all sections east of the Mississippi River according to the Weather Bureau. West of the Mississippi pickings and ginnings made good advance the first half of the week, but rains stopped field work the latter part, and picking was at a standstill in most places. The following week conditions were still favorable in the Eastern belt, except for showers near its close and picking made very good progress. In the Mississippi Valley and to the westward there was some complaint of rains and wetness beating down cotton and staining staple. The western part of the Cotton Belt reported considerable rainfall and cloudy weather the first part of the week which retarded picking and ginning.

Ginnings from August 1, to September 30 - According to reports of the Bureau of the Census ginnings from August 1 to September 30 this year were 6,305,000 running bales compared with 5,903,000 bales ginned during the same period last year and 4,961,000 bales during 1928. From the accompanying Table it may be seen that while the ginnings in Texas and Oklahoma are unusually advanced, in Alabama and Mississippi the per cent of the crop ginned to October 1 is less than usual. The per cent of the crop ginned in other sections is about average for this date.

Table 23.-Cotton: Ginning by States from August 1 to October 1, 1928-1930

State	August 1 to October 1		
	1928	1929	1930
	Running bales 1/	Running bales 1/	Running bales 1/
Ala.	335,969	578,128	582,561
Ariz.	27,185	18,439	23,500
Ark.	361,775	539,038	264,814
Calif.	20,280	13,524	15,473
Fla.	11,265	24,863	39,886
Ga.	308,886	578,239	841,969
La.	370,343	542,428	399,558
Miss.	560,276	908,361	532,096
Mo.	13,575	23,073	52,902
N. Mex.	6,129	8,381	16,950
N. C.	60,086	50,189	198,454
Okla.	268,081	255,092	276,966
S. C.	120,670	102,599	377,688
Tenn.	64,757	71,476	87,492
Tex.	2,430,885	2,128,587	2,584,806
Va.	968	344	7,896
All other States	230	499	1,597
United States	4,961,360	5,903,265	6,304,608

Report of Bureau of the Census.

1/ Counting round as half bales and excluding linters.

World summary of acreage and production

Cotton acreage in countries reporting to date totals 0.8 per cent below last year. The decreases were in the United States and India. Of the foreign countries, Russia is the most significant producer having reported production to date. Following a 47 per cent increase in acreage, the Russian crop is forecast at 26 per cent above last year. Recent reports from Agricultural Commissioner Steere at Berlin indicate that final figures may show the increase in the Russian crop to be somewhat greater than now forecast.

Table 24 - Cotton: Acreage and production in countries reporting for 1930-31, with comparisons

Item and country	Average 1909-10 to 1913-14	1928-29	1929-30	1930-31	Percentage 1930-31 is of 1929-30
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	Per cent
ACREAGE					
United States	34,152	45,341	45,793	44,791	97.8
India 1/	12,838	15,196	15,885	14,875	93.6
Russia (Asiatic)	1,569	2,261	2,560	3,768	147.2
Egypt	1,743	1,805	1,912	2,163	113.1
Alaouite (Syria and Lebanon)	---	9	17	37	217.6
Chosen	146	503	459	463	100.9
Total above countries	50,448	65,115	66,626	66,096	99.2
Estimated world total excluding China	62,500	82,400	81,970		
	1,000 bales	1,000 bales	1,000 bales	1,000 bales	Per cent
PRODUCTION 2/					
United States	13,033	14,478	14,828	14,486	97.7
Russia	905	1,137	1,351	3/ 1,700	125.8
Algeria	1	6	8	6	75.0
Greece	13	15	35	40	114.3
Union of South Africa		10	8	12	150.0
Total above countries		15,646	16,230	16,244	100.1
Estimated world total including China		26,100	26,200		

Official sources and International Institute of Agriculture except as noted from information received up to October 23.

1/ First estimate which includes only area planted up to August 1.
2/ In bales of 478 pounds net.
3/ Estimate of the Soviet Government as reported by Agricultural Commissioner Steere of Berlin.

Agriculture, Department of Commerce, and Cotton Textile Institute, was presented at a meeting of the Committee in Washington, D. C., September 30.

Most promising developments were reported in promoting the retail packaging of potatoes and oranges in cotton mesh bags, and in the use of cotton fabric as a binder for roadways. Several South and South-western States were reported as experimenting with the fabric in road construction. Preliminary research indicates that the fabric prevents splitting of the edges of roads, and it is believed that the goods has a similar value in constructing shoulders to roads.

Among the many new and extended uses for cotton, reports were submitted on products such as tarpaulins for athletic fields, style fabrics, posters and billboards, cotton letterheads, fireproof fabrics, play tents, model yachts, white cotton sleeves for traffic officers, and a proposed rubberized cotton device to prevent the formation of ice on airplane wings and struts. A campaign is to be waged looking toward the promotion of cotton goods during the coming Christmas holidays.

The use of cotton bagging instead of jute as a cotton bale cover has been the subject of considerable research by the Committee. Sufficient technological work has been done in this connection, it was brought out at the meeting, to make practicable the use of cotton bagging if and when cotton is sold on a net weight basis.

Cotton improvement program

The Bureau of Plant Industry in cooperation with the Bureau of Agricultural Economics and the State agricultural colleges and experiment stations has begun a field study of cotton production in organized communities in the Southeastern States, with special attention to the economic and socialogical phases. The object of the study is to determine the advantages to cotton growers from "one-variety communities", and to develop methods of adapting this system of production to sections of the Cotton Belt in which local conditions vary.

Cotton improvement on a community basis was initiated in California and Arizona several years ago and the feasibility of the plan in the southwestern communities has been demonstrated. Uniformity of staple is the most important factor in determining the quality of cotton and to have uniform crops of cotton the seed must be kept pure. Experience has shown that uniformity of fiber can not be maintained unless communities grow only one variety. In communities producing several varieties of cotton, the seed became mixed at the gin, the varieties cross-pollinated in the fields, and the seed stocks rapidly deteriorated.

Alabama adopts farm program for State

A conference of agricultural workers, farmers, bankers, and merchants was held at Montgomery, Alabama, October 6, at the invitation of Governor Graves, to develop a program of action in dealing with the present cotton situation. The conference passed the following resolutions:

India

The area planted to cotton in India up to August 1 was estimated to be 14,875,000 acres, as compared with 15,665,000 acres planted to the same date last year according to information received from the Department of Commercial Intelligence and Statistics at Calcutta. During the last 15 years the estimate of the area planted to cotton in India up to August 1 has averaged 54.2 per cent of the final estimate, the range being from 47.5 per cent to 66.7 per cent of the final estimate. The first estimate of Indian production is expected about December 15.

Egypt

It is estimated that 2,162,000 acres were planted to cotton in Egypt this season, according to the International Institute of Agriculture at Rome. This is an increase of 250,000 acres or 13.1 per cent over last season's acreage. The first estimate of production this year however, of 1,743,000 bales of 478 pounds net is an increase of only 18,000 bales or 1.0 per cent of the final estimate of last year's crop. The estimated production of Sakellarides is 480,000 bales this year compared with 530,000 bales last year or a decrease of 9.2 per cent.

Russia

The latest estimates indicate that the 1930 Russian cotton acreage has fallen considerable below expectations. The area is now reported at 3,768,000 acres compared with the preliminary figure of the International Institute of Agriculture of 4,366,000 acres reported at the end of July and 2,560,000 acres planted in 1929, according to Agricultural Commissioner Steere at Berlin. This indicates an increase of 1,206,000 acres or 47 per cent whereas the earlier report had indicated an acreage increase of about 70 per cent. Recent estimates for the new crop, according to Mr. Steere indicate a production of about 1,700,000 bales of 478 pounds compared with a production last year of 1,351,000 bales, an increase of around 26 per cent. It appears, however, that since a considerable share of this year's acreage was planted rather late the weather conditions at the end of September and throughout most of October will be of great importance. Commissioner Steere more recently cabled that the indications were for a crop somewhat larger than is reported here.

With the harvesting of the new crop, shortage of storage, transportation and picking facilities are expected to be serious problems. Shortage of labor for the harvesting of the crop will be the most pressing, as last year considerable quantities of cotton remained in the fields because of the labor problem.

Miscellaneous news

"New uses for cotton" committee reports progress

A summary of the work of the last three years of the New Uses for Cotton Committee, which is composed of representatives of the Department of

WHERAS, present low prices of cotton are deplorable; and are causing drastic reductions in the incomes of Alabama farmers, and are lowering the standards of living of cotton growers, thereby injuring the agriculture of the South and business and industry of the whole nation; and

WHERAS, the present situation requires that the greatest possible relief be obtained in the shortest possible time; and that methods be developed and put into operation to prevent a recurrence of such situations; and

WHEREAS, present low prices are largely due to a world-wide business depression which lowered the demand for American cotton, causing consumption in this country to fall off a million bales in the past season, and the world total consumption of American cotton to fall to 13,000,000 bales against 15,200,000 bales the previous season and a production of 14,800,000 bales last year, leaving the carry-over in this country the largest at the beginning of the present season that it has been since 1921, and increasing the world total carry-over of American cotton by approximately 1,500,000 bales which carry-over has been a burden on the market; and

WHEREAS, present cotton prices are far below average cost of production; THEREFORE BE IT RESOLVED:

1. That as an immediate step farmers be urged to market their cotton through the cooperative association whereby they can obtain 90 per cent of the market price now and profit from any subsequent rises in the future; and
2. That cotton production be reduced until consumption increases and stocks are reduced so that cotton can be sold at a profit; and
3. That the reduction in total production be accomplished by the readjustment of acreages so that some lands previously devoted to cotton be used for other purposes; and
4. That advantage be taken of the fact that many crops other than cotton can be grown at a profit and will yield a cash income; and
5. That in this problem of readjustment of acreage we realize that the percentage of shifting of cotton acreage to other crops will vary with the individual and the section but that the net result should be that the entire belt shall not plant more than forty million acreage. Any acreage above forty million acres planted in 1931 will be dangerous and a menace to our economic welfare.
6. That as hogs, cattle, dairy products, poultry and eggs can be produced at a profit by many farmers and readily marketed for cash, these enterprises be encouraged; and
7. That more feed be produced at home since large amounts are purchased which can be produced more cheaply by the individual farmer; and
8. That Alabama farmers grow more of their own food, thereby saving money and improving their standard of living, and that immediate steps be taken to relieve the present emergency by planting winter legumes, fall grains, and fall garden crops; and
9. That land which is too poor, or too rough, or is in areas too small for profitable production of cultivated crops and pastures be allowed to grow up to forest, thereby removing "marginal lands" from the production of crops and returning it to the timber area, thus increasing the production of timber of which there is a steadily diminishing

supply while prices, over a long period of years, have been advancing; and

10. That production costs of cotton and all other products be reduced to a minimum by improving the condition and fertility of the soil by terracing, and growing legumes, and proper use of commercial fertilizer, and by using enough machinery and power for efficiency, by planting seed of the best varieties, by having livestock of good breeding and by practicing the best methods of planting, cultivating, and harvesting crops, and of feeding and managing animals; and

11. That the quality and staple of cotton produced be improved by planting seed of only the varieties which produce staples wanted by spinners, and which will bring a higher per acre income as these varieties are known and can be recommended by the experiment station of the Alabama Polytechnic Institute and this will reduce the production of untenderable cotton, which is now being sold by farmers at discounted prices, and which will probably be even more difficult to market in the future, and

12. That for assistance in production as well as in marketing we endorse the work of the Federal Farm Board, the American Cotton Cooperative Association, and the Alabama Farm Bureau in its various lines of work and call upon bankers and business men as well as farmers to give the Federal Farm Board and the Farm Bureau their hearty cooperation; and

13. That the Experiment Station, the Extension Service, and the Department of General Economics of the Alabama Polytechnic Institute, the Federal Farm Board, the Bureau of Agricultural Economics of the United States Department of Agriculture and the State Department of Agriculture and Industries be requested to assemble and furnish facts about prices, acreage, production, and business conditions and outlook so that farmers may have this information for consideration in making their plans for adjusting production; and that the "agricultural outlook" information furnished by the Bureau of Agricultural Economics of the United States Department of Agriculture should be given local interpretation and dissemination by State agencies so that the individual farmer can determine which crops he can most reasonably expect to grow at a profit on his own farm; and

14. That bankers, merchants, civic clubs, and other organizations, and individuals interested work together for promoting these recommendations throughout Alabama to the end that the agriculture of the State may be placed upon a sound basis, which will avoid periodic distresses and give to the efficient farmer a profit each year on his investments and expenditures and for his efforts; and

15. That we request the Alabama Extension Service, the Alabama Farm Bureau, the Alabama Bankers Association, the Division of Vocational Education of the State Department of Education, and the State Department of Agriculture and Industries to conduct district, county and local meetings throughout the State to acquaint farmers and the general public with the situation and impress upon them the importance of putting these recommendations into practice, and

16. That farmers, bankers, and merchants in other cotton producing States be requested to adopt and make practical application of these principles in order that the economic and social structure of the entire south may be placed on a sound and safe basis. All should recognize and heed the fact that the cotton acreage adjustment under present conditions should be much greater than under normal conditions. In doing this farmers will apply a principle of successful manufacturers, namely, the reduction of production to the demands of consumption. Unless farmers do this they will enlarge their own burden and postpone correction of the present distress situation.

Amendment to the effect that any acreage above 40,000,000 acres for the cotton belt as a whole would be dangerous.

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(over)

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UNITED STATES DEPARTMENT OF AGRICULTURE
Bureau of Agricultural Economics
Washington

C-64 WORLD COTTON PROSPECTS November 22, 1930

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SUMMARY

The improvement in the domestic cotton textile industry in September and October together with slight improvements in some of the foreign countries have been strengthening factors in the cotton price situation during the past month. The price of all important growths both in the American and the Liverpool markets, with the exception of Egyptian Uppers, made a net gain from October 14 to November 14 of 0.31 to 0.91 cents per pound. Prices of middling 7/8 inch cotton in the 10 markets gained 0.61 cents during this period and on November 14 was 10.23 cents. In New York, prices of American spots gained 0.70 cents and in Liverpool 0.51 cents per pound during this period. In the Liverpool market Egyptian Sakellaridis made the smallest net gain which amounted to 0.31 cents while Indian Oomra No. 1 made the largest gain, 0.91 cents. Prices of futures contracts for American cotton in the New York, New Orleans, and Liverpool markets increased 0.50 to 0.83 cents per pound during this period with the greatest increases in the more distant months.

The world visible supply on November 14 amounted to about 9.1 million bales compared with 7.3 million and 6.6 million bales on the corresponding dates of 1929 and 1928, respectively. The visible supply of American cotton on this date amounted to 7.1 million bales or about 29.4 and 42.0 per cent above last year and the year before while the total visible of all other growths was 11.6 and 24.6 per cent above the two previous years.

Exports of raw cotton during October amounted to about 1.0 million bales compared with 1.3 million bales during October 1929 and exports for

the first 3 months totaled about 2.3 million bales against 2.2 million bales during the same period last year. Total exports for the season up to November 14, however, have dropped below those during the corresponding period last season.

The total into-sight movement for the first three months this season was about 500,000 bales below the same period last year, while ginnings were only 28,000 bales below a year earlier which indicates a considerable inclination among the farmers to hold their cotton.

The domestic cotton textile industry showed still further improvement during October with consumption of raw cotton amounting to 444,000 bales, an increase of 50,000 bales over September compared with an average seasonal increase of 35,000 bales. October was the fourth consecutive month for which sales of standard cotton cloth were above shipments and shipments above production, resulting in a continuous increase in unfilled orders and a continuous decrease in stocks.

The developments in the textile situation in Europe during the past month brought no material improvement. There was however, limited seasonal improvement in Czechoslovakia, Austria, Poland and Italy. In Japan and China conditions in the textile situation have shown some improvement, which in Japan is to be attributed largely to the 30 per cent reduction in mill output.

With the November estimate of the 1930 crop at 1[illegible],438,000 bales, or 48,000 bales below the October forecast, there has been little significant change in the prospective supply for this season. Ginnings to November 1 were slightly below last year, while previous reports have shown ginnings above last year.

Prices

Spots

The improvement in the domestic cotton industry for September and October together with slight improvements in some foreign countries has been a stimulating factor in the cotton price situation during the past month. The price of spot cotton in the American markets showed a net gain of 0.47 cents to 0.80 cents per pound from October 14 to November 14, with the average of the ten markets on November 14 at 10.23 cents, 0.61 cents per pound above October 14. The greatest gain was made in the Montgomery, Alabama market while the smallest gain was made in Little Rock, Arkansas. New York spots gained 0.70 cents and on November 14 the price was 11.15 cents per pound.

In Liverpool spot prices of all important growths with the exception of Egyptian Uppers made a net gain during this period of 0.31 to 0.91 cents per pound. Egyptian Sakellaridis made the smallest net gain which amounted to 0.31 cents while Indian Oomra No. 1 made the largest gain, 0.91 cents. Brazilian and Peruvian cotton made net gains of 0.60 to 0.61 cents per pound. American middling in Liverpool gained 0.51 cents per pound during this period and on November 14 amounted to 12.13 cents per pound. Egyptian Uppers made a net decline during the period of 0.28 cents and the price on November 14 was 13.71 cents per pound. Other spot prices in Liverpool on November 14, in cents per pound, were as follows: Egyptian, fully good fair, Sakellaridis 19.67, Indian Sind 8.11, Indian Oomra No. 1 8.72, Brazilian Ceara 11.92, Peruvian Tanguis 12.23.

Futures

Prices of futures contracts in the New York, New Orleans, and Liverpool markets increased 0.50 to 0.83 cents per pound from October 14 to November 14. The active months in New Orleans increased 0.50 to 0.71 cents per pound, in New York 0.55 to 0.74 and in Liverpool, 0.75 to 0.83 cents per pound. The greatest increases in all of these markets were made in the more distant months with the nearer months showing the smallest increases.

Stocks and movements

World visible supply

The total world visible supply on November 14 amounted to about 9,089,000 bales compared with 7,265,000 bales and 6,592,000 bales on the corresponding dates in 1929 and 1928, respectively. The visible supply of American cotton on November 14 this year amounted to 7,137,000 bales and was 1,621,000 bales or 29.4 per cent above last year and 2,112,000 bales or 42.0 per cent above the corresponding date in 1928. The visible of all other growths on November 14, 1930 amounted to 1,952,000 bales, 203,000 bales or 11.6 per cent above 1929 and 385,000 bales or 24.6 per cent above 1928.

The greatest increase of the visible supply of American cotton this year as compared with the last two years is in port stocks in the United

States. The greatest increase in visible supply of other cotton was in stocks at Alexandria, Egypt.

Table 1.- Cotton: World visible supply of American and other growths on November 14, 1928, 1929 and 1930

Kind and location of stocks	1928	1929	1930
	Running bales	Running bales	Running bales
American			
Great Britain ....:	347,000	303,000	324,000
Continental ....:	629,000	590,000	629,000
Afloat for Europe ....:	789,000	714,000	558,000
United States:			
Port stocks ....:	2,158,992	1,499,364	3,941,847
Interior stocks ....:	1,099,921	1,409,376	1,684,197
Exports today (Nov. 14).......:	786	--	--
Total American ....:	5,024,699	5,515,740	7,137,044
East Indian, Brazilian, etc.:			
Great Britain ....:	280,000	412,000	454,000
Continental ....:	60,000	83,000	206,000
Indian afloat for Europe ....:	91,000	115,000	159,000
Egyptian, Brazilian, etc, afloat :	117,000	140,000	109,000
Alexandria, Egypt ....:	396,000	390,000	629,000
Bombay, India ....:	623,000	609,000	395,000
Total East Indian, Brazilian etc. ....:	1,567,000	1,749,000	1,952,000
Total visible supply ....:	6,591,699	7,264,740	9,089,044

Compiled from the Commercial and Financial Chronicle.

Exports of American cotton

Exports of raw cotton during October amounted to about 1,004,000 running bales compared with 903,000 bales during September and 1,251,000 bales during October 1929, according to the Bureau of the Census. Exports for the first three months this season totaled 2,273,000 bales against 2,203,000 bales during the same period last year. Exports for the three months this season to France and Germany were above last season, whereas exports to other European countries, including Italy and Great Britain, and to Japan were below last year. Since the end of October exports for the season have dropped below those of last season. Exports from August 1 to November 14 this year totaled 2,682,000 bales compared with 2,767,000 bales during the same period last year according to the reports of the New York Cotton Exchange.

Imports of foreign cotton

Imports of foreign cotton during October amounted to only 1,747 bales of 500 pounds gross compared with 3,394 bales during September and 19,815 bales during October 1929. Imports the first three months this season totaled 11,042 bales compared with 68,582 bales during the same period last year. Imports from China alone were above last year. Imports from Egypt for the three months ended October 31, 1930 amounted to only 25 bales compared with a total of 37,482 bales during these three months in 1929.

Into sight, port receipts, mill takings, etc.

The into sight movement during October, 1930 amounted to about 3,670,000 running bales compared with 4,184,000 bales in October, 1929 and 3,927,000 bales in October, 1928, according to the report of the New Orleans Cotton Exchange. The total into sight movement for the first three months this season amounted to 6,944,000 bales compared with 7,438,000 bales during these three months last year. As pointed out last month this seems to indicate that there is considerable movement among the farmers to hold their cotton for higher prices. Port receipts during October amounted to 2,132,000 bales against 2,393,000 bales during October, 1929 and 2,510,000 in October, 1928. The overland movement during October totaled 108,000 bales compared with 196,000 bales a year ago. Mill takings during the month of October were 774,000 bales or 267,000 bales below October last year. Mill takings the first three months this season totaled 1,402,000 bales compared with 2,031,000 bales during the corresponding period last season. Stocks at ports and interior towns at the end of October, 1930 were 5,679,000 bales or 1,524,000 bales above the year earlier.

Textile Situation

United States

The cotton textile industry showed still further improvement in activity during October with consumption of raw cotton showing an increase of 50,000 bales over September and was 92,000 bales above August, according to the Bureau of the Census. The 444,000 bales consumed during October was 196,000 bales below October 1929 and 172,000 bales below October 1928 and was the lowest for the month since October 1920. The 50,000 bale increase of October over September was more than seasonal since during the nine years 1920-21 to 1928-29 the increase has averaged about 35,000 bales. Consumption during the first three months this season amounted to 1,191,000 bales compared with 1,744,000 bales and 1,634,000 bales during the corresponding period last year and the year before.

There was a further improvement reported in the standard cotton cloth section of the cotton textile industry during October. For the fourth consecutive month sales were above shipments and shipments were above production resulting in a continuous increase in unfilled orders and a continuous decrease in stocks. Production of cotton cloth during October was at a weekly average rate of 45.8 million yards, 0.2 million yards above the

weekly average production during September, but 25.0 million yards or 35.3 per cent below the weekly average during October a year ago, according to the Association of Cotton Textile Merchants of New York. Sales of cotton cloth during October averaged 67.2 million yards per week or 146.7 per cent of production and shipments averaged 54.1 million yards which was equivalent to 118.1 per cent of production. This resulted in an increase during October of 22.9 per cent in unfilled orders and a decrease of 10.6 per cent in stocks on hand. Stocks on hand at the end of October amounted to 350.9 million yards which was the lowest since September 1929, while unfilled orders were the largest since last April, amounting to 350.8 million yards.

Great Britain

Reports from Great Britain during the past month indicate little improvement, although exports of both cotton piece goods and yarns during October increased somewhat more than the seasonal average. Piece goods exports amounted to 150.3 million square yards or 7.6 million square yards above September, but was 115.5 million square yards below October 1929. This increase of 7.6 million square yards during October over September compares with an average increase during the past 10 years of 2.9 million square yards. Exports of cotton yarns during October increased 2.6 million pounds over September amounting to 11.7 million pounds and was 1.8 million pounds below October last year. The 10-year average exports of yarn during October over September amounted to 1.8 million pounds.

Continental Europe 1/

October developments in the continental cotton textile industry, on the whole, have brought no significant change in the rate of raw cotton consumption as compared with September, nor have prospects for a real and early pick-up in orders and activity become any brighter. The industry and the cotton goods trade continue depressed by price uncertainty and reduced demand practically everywhere except in France, notwithstanding reduced goods stocks and the recognizedly low prices of raw cotton.

There has been a limited seasonal improvement in mill sales of yarn and cloth reported in parts of Czechoslovakia, Austria and Poland during September and October, and possibly a slightly better pick-up in Italian business for both export and domestic account, but these developments are more than offset by the failure of any seasonal betterment to develop in Germany, Belgium and other countries. There appears to be as yet, therefore, little sign of revival or quickening in the distribution end of the industry.

1/ Based on report dated October 25, 1930 from Agricultural Commissioner L. V. Steere at Berlin, supplemented by cable November 4.

Mill activity over the Continent as a whole seems to have risen slightly in September-October, but much less than the normal seasonal improvement. Slightly better activity on seasonal grounds in some countries was more than offset by the failure of any seasonal betterment in other countries, particularly Germany.

Germany

September-October reports indicate the continued prevalence of unfavorable conditions in the German cotton industry. Activity in the industry throughout September is estimated to have been not above 60 per cent of normal and October brought no material change. If anything, the failure of general conditions to improve, coupled with the uncertainty of the political situation, had a dampening effect on the demand for cotton yarns.

The development of business was particularly unsatisfactory from the standpoint of the weaving industry. Normally these are about the best months for new business in cloth, but bookings showed no improvement with the flow of new orders running at a much lower level than last year and even showing some tendency toward a further decline. Prices being realized for fabrics were reported most unsatisfactory and reports from the weaving mills indicated very little optimism for the winter months because of the general economic depression.

The index numbers of mill activity in Germany during September which are now available show that the activities of the spinning and weaving mills were only slightly above August. The September index of the spinning mill activity was 89.1 per cent (the monthly average July 24 - June 26 = 100) compared with 88.8 per cent during August and 95 per cent during September, 1929. The activity in the weaving mills during September amounted to 66.5 per cent compared with 65.2 per cent during August and 69.5 per cent during September last year.

Imports of woven cotton materials into Germany during September amounted to 1,164,000 pounds, 24,000 pounds above August, but 90,000 pounds below September a year ago. Imports of cotton yarn, however, for the month of September amounted to 4,200,000 pounds compared with 4,949,000 during August and 4,921,000 during September, 1929.

France

France continues to be the only important continental country enjoying reasonably good business in the cotton industry. September and October reports show little change from the satisfactory levels prevailing hitherto. Consumption of raw cotton is apparently running a little below last year, however, as raw cotton imports for the first seven months of 1930 have amounted to only 199,000 tons as compared with 223,000 tons in the same month last year.

Reports from the French spinning industry even point to some improvement in the general position of spinners in October. Mill yarn stocks are reported to have fallen at certain centers and the volume of yarn sales is indicated to be sufficient to assure a satisfactory level of employment for the immediate future, although prices are unsatisfactory.

The cloth industry continues to maintain previous levels of production, but demand for cotton goods from North Africa and the colonies has been slow in recent weeks.

Austria

The situation of the Austrian textile industry is unfavorable, but there has apparently been no recent change for the worse. Some branches even show slight signs of seasonal improvement. Prices in the spinning industry are slightly higher and there is some belief that the turning point has been reached. Spinning activity dropped to 68 per cent in July from 77 in June, but during August increased to 80.1 per cent. This compared with 73 per cent and 76 per cent during August, 1929 and 1928 respectively.

Weaving mills are reported to be hampered by strong Czechoslovakian competition and are asking for higher protection.

Czechoslovakia

Slightly higher activity is reported from the Czechoslovakian textile industry, but it appears that this improvement is largely seasonal, even though reports state that stocks of semi-manufactured and finished goods are very low. Takings of raw cotton were low in August, but higher in September. The industry still complains of unremunerative prices.

Exports of unbleached cotton yarns during August are now reported to have shown an increase of 70,000 pounds over July and amounted to 3,979,000 pounds as compared with 4,198,000 pounds during August, 1929. Exports of cotton fabrics of all kinds during the month of August amounted to 6,362,000 pounds compared with 5,569,000 pounds during July and 8,342,000 pounds during August a year earlier.

Italy

The cotton textile situation in Italy has recently improved somewhat, as demand for both yarns and fabrics has increased and exports also show a slight improvement. The general level of activity in the industry, however, still remains well below last year.

Belgium

Both the cotton spinning and weaving industries in Belgium report exceedingly slow sales, with mill activity and production declining, and workers being laid off.

Poland

The Polish cotton situation seems to be showing general improvement, though the level of activity is still much reduced as compared with previous active periods. September takings of raw cotton in Poland were larger than in any other months during 1930, and showing a slight tendency to increase further. The spinning industry reports improved demand for cotton yarns and prices are considered quite satisfactory, due to high protection.

The demand for finished goods is being well maintained. Transactions are small in volume, but numerous, and stocks are small.

Mills are mostly buying cotton for immediate and near deliveries, but some contracts have been made for more distant dates. A further increase in demand for cotton is expected.

Japan

The Japanese mill situation for the month ended October 22 was reported somewhat less buoyant, but the demand was fairly steady, due largely to orders for home consumption. The additional curtailment in mill activity which became effective October 1 has reduced production below the estimated requirements. The agreement calls for this curtailed production, which amounts to about 30 per cent, to continue for the remainder of the year. This curtailment in production together with a scarcity of stocks has placed the Japanese industry in a more favorable position.

Production, acreage and crop condition reports

United States

Production estimate - the November forecast of the 1930 crop was 14,438,000 bales of 500 pounds gross. This is only 48,000 bales below the October forecast and approximately 390,000 bales below production last year. The indicated average yield of the United States is 154.2 pounds per acre which is 0.9 pounds below the average yield of the 10-year period 1919-1928. In Texas, Arkansas, Mississippi, North Carolina and Tennessee the indicated production for conditions up to November 1 was somewhat less than was anticipated in the October 1 estimate. These declines, however, were partially offset by moderate increases in Georgia, South Carolina, Alabama, Louisiana and Oklahoma.

Weather since November 1 - From November 1 to November 11 the gathering of the remaining cotton crop made fairly good progress except for some slight delay in the Eastern Belt by cold weather and rain. Picking is completed, or well along, practically everywhere though considerable cotton remains in the field in some lowlands in the Central Northern Belt. In Oklahoma, up to November 11 picking is more than normally advanced, while in the East as far north as South Carolina, there remains only some gleaning to do.

Ginnings to November 1 - Cotton ginnings from the growth of 1930 prior to November 1 amounted to about 10,864,000 running bales compared with 10,892,000 and 10,162,000 bales ginned up to the corresponding date in 1929 and 1928 respectively, according to the Bureau of the Census. Prior to this report ginnings this year have been running ahead of those of the past two years.

World summary of acreage and production

Cotton acreage in countries reported to date totaled 0.2 per cent above last year. The principal increases came in Russia and Egypt. There was a slight decrease in acreage in both the United States and India, Countries for which production forecasts have been received indicate an increase of 1.2 per cent above last year with the greatest increases in terms of bales in Russia and Egypt and the largest percentage increases in some of the smaller countries. The estimated production in the United States is 2.6 per cent below that for last year. Ginnings in Egypt, however, were 466,000 bales up to November 1 or 97,000 bales below those to the corresponding date last year.

Table 2.-Cotton: Acreage and production in countries reporting for 1930-31, with comparisons

Item and country	Average 1909-10 to 1913-14	1928-29	1929-30	1930-31	Percentage 1930-31 is of 1929-30
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	Per cent
ACREAGE					
United States	34,152	45,341	45,793	44,791	97.8
India 1/	19,049	21,700	20,812	20,506	98.5
Russia (Asiatic)	1,569	2,261	2,560	3,768	147.2
Egypt	1,743	1,805	1,912	2,162	113.1
Alaouite (Syria and Lebanon)		9	17	37	217.6
Chosen	146	503	459	463	100.9
Total above countries	56,659	71,619	71,553	71,727	100.2
Estimated world total excluding China	62,500	82,400	81,970		
	1,000 bales	1,000 bales	1,000 bales	1,000 bales	Per cent
PRODUCTION 2/					
United States	13,033	14,478	14,828	14,438	97.4
Russia	905	1,137	1,351 3/	1,950	144.3
Egypt	1,453	1,672	1,725	1,743	101.0
Mexico	187	278	225 4/	200	88.9
Chosen (Korea)	20	150	138	152	110.1
Greece	13	15	35	40	114.3
Union of South Africa		10	8	12	150.0
Algeria	1	6	8	6	75.0
Total above countries		17,746	18,318	18,541	101.2
Estimated world total including China		26,100	26,200		

Official sources and International Institute of Agriculture except as noted.

1/ Second estimate which includes area planted up to October 1.

2/ In bales of 478 pounds net.

3/ Estimate of the Soviet Government as reported by Agricultural Commissioner Steere of Berlin.

4/ From an unofficial source.

Compiled by the Foreign Service of the Bureau of Agricultural Economics from the latest available sources received up to November 8 as to cotton acreage and production in foreign countries.

India

The area planted to cotton in India up to October 1 of this season is estimated to be 20,506,000 acres compared with 20,812,000 acres or 99 per cent of the area planted to the same date last season, according to a cable received by the Bureau of Agricultural Economics from the Indian department of Statistics at Calcutta.

The revised estimate of the total area planted in India last season was 25,692,000 acres. During the last fifteen years the estimate of the area planted to cotton in India up to October 1 has averaged 83.1 per cent of the final estimate and the range has been from 75.2 per cent to 91.4 per cent of the final estimate. The first forecast of the production of the Indian crop is expected soon after December 15.

Russia

The production of cotton in Asiatic Russia is now estimated to be about 1,950,000 bales of 478 pounds net, according to a cable received by the Foreign Service of the Bureau of Agricultural Economics from Agricultural Commissioner Steere at Berlin. Last season the Russian crop was estimated to be 1,351,000 bales.

Chosen

The production of cotton in Chosen (Korea) is now estimated to be 152,000 bales of 478 pounds net according to a cable received from the International Institute of Agriculture at Rome. Last season's crop was estimated to be 138,000 bales.

China

This season's crop in China is expected to be somewhat larger than last season's crop of 1,752,000 bales of 478 pounds net according to a cable received from Agricultural Commissioner Nyhus. In the Tungchow district, north of Shanghai, the crop is not as large as was anticipated, but in the Hankow district and the northwest the crop is considerably larger than last season.

Mexico

The crop in Mexico is not expected to exceed 200,000 bales, according to unofficial reports. This compares with an estimated production last year of 225,000 bales.

Egypt

Unofficial reports from Egypt state that the quality of the crop this year is somewhat below normal. The first estimate of the Egyptian crop was 1,743,000 bales of 478 pounds net or an increase of 1.0 per cent. The second production estimate is due the early part of December.

Miscellaneous News

Special analysis of the world cotton situation

The Bureau of Agricultural Economics has prepared a statement called "Cotton Facts" for the use of Southern Agricultural workers; and in cooperation with state workers at Atlanta, Georgia, November 10-14 issued outlook statements on cotton and other crops of interest to the South. All of these reports are now being prepared for general distribution. Copies may be obtained upon request.

Cotton policy reversal urged on Egyptian government

It has been recommended that the Egyptian government abstain from intervention in the Egyptian cotton market and instead of limitation of acreage to be planted should encourage extension in acreage and increase in yield per acre by the use of artificial manures and the sowing of pure strains of seeds. This recommendation was made in a report submitted to the Egyptian government as a result of an inquiry recently conducted by that government. This is contrary to the policy pursued during recent years as they have endeavored to restrain production and on a number of occasions have intervened in the Egyptian cotton market.

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UNITED STATES DEPARTMENT OF AGRICULTURE
Bureau of Agricultural Economics
Washington

C-65 WORLD COTTON PROSPECTS December 29, 1930

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SUMMARY

The failure of business in general to improve following the improvement in the domestic cotton textile industry in September and October, the dropping off in cotton exports, and the continued world-wide depression were depressing factors in the cotton price situation during the past month. As a result there were declines in spot prices of 0.81 to 3.55 cents in the important growths from November 14 to December 12. The greatest decline was in Egyptian Sakellaridis and the smallest decline in Brazilian. Futures prices of American cotton declined 1.48 to 1.78 cents per pound from November 13 to December 13 in the New York, New Orleans and Liverpool markets with the greatest declines in Liverpool.

The world visible supply of all growths on December 12 totalled about 9.7 million bales, 1.9 million bales above the corresponding date in 1929 and 2.3 million bales above that date in 1928. The visible supply of American on this date amounted to 7.8 million bales compared with 5.8 million and 5.7 million bales at this time in 1929 and 1928 respectively.

Exports of domestic cotton for the season, which up until the beginning of November were above last season, for the four months ending November 30, 1930 were 71,000 bales below the same period last year. Exports to France and Germany so far this season were above last season whereas exports to all other important countries were below last season.

The total movement into sight for the four months August to November, 1930 totalled about 9.7 million bales against 10.1 million bales during

this period last season. Slightly more cotton has been sent to ports than last year but much less has gone overland to mills.

The domestic cotton textile activity during November, when adjusted for the fewer working days, was about the same as during October. Textile activity in the United States in the first four months this season, however, was about 29.7 per cent below the same period last season, the average monthly rate of consumption amounting to 402,000 bales this season compared with 572,000 bales last season. Unfilled orders of standard cotton cloth decreased during November and stocks increased but both changes were less than the average seasonal changes for the four years 1927-1930.

In general the foreign textile situation is less favorable than it was a month ago, but is not without its bright spots. The mills in Central Europe have found it possible to raise output because of the very low stocks of finished goods, and in Italy the maintenance for several weeks of a favorable ratio of sales to the much reduced output has enabled a slight pick-up in spite of the fact that stocks are still large.

The sharp curtailment in cotton yarn production in Japan has widened spinners margins. These wider margins have caused Japanese production to increase some, and, together with the lower prices of silver, are resulting in imports of Chinese yarn into Japan. Purchases of raw cotton are only for immediate requirement, and as coarse yarns are finding a readier market because of the hard times, the proportion of American cotton used has decreased.

The December forecast of the domestic production for 1930 of 14,243,000 bales reduced the prospective supply of American cotton for the season by about 195,000 bales. The estimated production for 1930 in those countries reporting to date is slightly below production last year and the same is true of the 1930 acreage.

Prices

Spots

Prices of spot cotton in both the American and foreign markets for domestic as well as foreign growths declined rather steadily during the past month. The price of American middling 7/8 inch cotton declined 1.59 cents per pound from November 13 to December 15 with the average price on December 15 of 8.58 cents per pound which was a new low for the season and was the lowest since August, 191[illegible]. Since then prices have strengthened some with the average in the 10 markets on December 17 at 9.03 cents per pound. Prices of American cotton in most of the important spot markets moved very much in line with the average of the 10 markets.

In the Liverpool market the greatest decline during the period from November 14 to December 12 was made in Egyptian Sakellaridis which made a net decline of 3.55 cents per pound. During this period Egyptian Uppers declined 1.23 cents per pound, American middling 1.12 cents, Indian Sind and Oomra 1.01 cents, Brazilian Ceara and São Paulo 0.81 cents, Peruvian Tanguis 1.01 cents and Peruvian Smooth 1.22 cents per pound.

Agricultural Commissioner Steere in his report of November 26, 1930 states that continental spinners' purchases were low in the middle of October but the rise in raw cotton prices the second half of October stimulated demand greatly and resulted in extensive purchasing of both American and Indian cotton as well as heavy price fixing. The first half of November, however, brought a general reduction in buying as a result of a weaker tendency in the raw cotton market. The competitive position of Indian cotton in relation to American on the Continent has not changed materially for a month or two but Egyptian experienced a decline from 116 per cent of American in September to 110 per cent in October and 101 per cent in November 1930.

Futures

Prices of futures contracts of American cotton in New York, New Orleans and Liverpool made declines ranging from 1.48 cents to 1.78 cents per pound from November 13 to December 13. The New York market was slightly stronger than either New Orleans or Liverpool and Liverpool was slightly weaker than New Orleans. The declines at New York ranged from 1.48 to 1.57 cents per pound, and at New Orleans from 1.52 to 1.63 cents and at Liverpool from 1.64 to 1.78 cents per pound. The greatest declines were in the January and March contracts

Stocks and movements

World visible supply

The world visible supply of all growths on December 12, 1930 amounted to 9,639,000 bales compared with 7,772,000 bales and 7,413,000 bales on the corresponding dates last year and the year before according to the Commercial and Financial Chronicle. Total visible supply of American on

this date amounted to 7,803,000 compared with 5,838,000 and 5,683,000 at this time in 1929 and 1928 respectively. The visible supply of other growths at this time totaled 1,896,000 compared with 1,934,000 a year earlier and 1,730,000 two years earlier.

The greatest increase in stocks of American is at ports in the United States, but stocks at Liverpool, Manchester and on the Continent and stocks in the interior of the United States are all above a year ago. Stocks of Egyptian cotton in Alexandria continue well above last year while stocks of Indian cotton in Bombay are considerably below last year.

Table 1. - Cotton: World visible supply of American and other growths on December 12, 1928, 1929 and 1930

Kind and location of stocks	1928	1929	1930
	Running bales	Running bales	Running bales
American			
Great Britain	522,000	377,000	459,000
Continental	943,000	742,000	951,000
Afloat for Europe	614,000	607,000	428,000
United States:			
Port stocks	2,364,111	2,646,069	4,148,603
Interior stocks	1,232,683	1,461,857	1,815,747
Exports today (Nov. 14)	7,219	3,650	1,144
Total American	5,683,013	5,837,576	7,803,494
East Indian, Brazilian, etc.			
Great Britain	292,000	436,000	459,000
Continental	47,000	86,000	115,000
Indian afloat for Europe	73,000	103,000	80,000
Egyptian, Brazilian, etc., afloat	107,000	132,000	101,000
Alexandria, Egypt	447,000	423,000	673,000
Bombay, India	764,000	754,000	468,000
Total East Indian, Brazilian, etc.	1,730,000	1,934,000	1,896,000
Total visible supply	7,413,013	7,771,576	9,699,494

Compiled from the Commercial and Financial Chronicle.

Exports of American cotton

Exports of raw cotton during November amounted to about 903,000 running bales compared with 1,004,000 bales during October and 1,049,000 bales during November 1929 according to the Bureau of the Census. Exports for the first four months this season totaled 3,181,000 bales against 3,252,000 bales during the same period last year. Until the beginning of November the total exports for the season were larger than during the same period last year. Exports to December 1 this season to France and Germany were still above last season, but to all other important consuming countries they were below last season.

Imports of foreign cotton

During November there were only 3,409 bales (500 pounds gross) imported into the United States, compared with 35,502 bales during November 1929 and with 1,747 bales during October 1930. Imports during the four months ended November 30 totaled 14,451 bales compared with 104,084 during this period last year. Imports from China alone have been above last year. The reductions have taken place in cotton coming from Egypt, Peru and Mexico. Undoubtedly the tariff on long staple cotton is the principal factor causing these reduced imports.

Into sight, port receipts, mill takings, etc.

During November about 2,749,000 running bales came into sight in the United States which compares with 2,682,000 during November 1929 and 2,902,000 in November 1928, according to the reports of the New Orleans Cotton Exchange. The total movement into sight for the four months August through November totaled 9,693,000 bales compared with 10,120,000 bales during this period last season. The November port receipts amounted to 1,552,000 bales compared with 1,530,000 and 1,676,000 during November last year and the year before. The total receipts for the season to the end of November amounted to 6,032,000 bales, being 308,000 bales or 5.4 per cent above receipts during this period last season. There were 142,000 bales which moved overland during November this year compared with 168,000 bales during November 1929. The total movement for the four months this season amounted to 328,000 bales compared with 531,000 bales during the same period in 1929 or a decrease of 38.3 per cent. Mill takings during November were 954,000 bales, being 190,000 bales below November 1929 and 153,000 bales below November 1928. Takings through November this season totaled 2,356,000 bales compared with 3,176,000 bales during the same period last year which is a decrease of 25.8 per cent. Stocks at ports and interior towns at the end of November totaled 6,571,000 bales, that is 1,987,000 bales above a year earlier.

Stock in consuming establishments, etc.

Stocks of raw cotton in domestic consuming establishments on November 30, 1930, totaled 1,567,000 running bales against 1,655,000 bales on November 30, 1929, according to the Bureau of the Census. Stocks in public storage and at compresses amounted to 8,398,000 bales at the end of November compared with 5,813,000 bales a year earlier.

Textile Situation

United States

Cotton textile activity during November as measured by consumption of raw cotton when adjusted for the number of work days was about the same as during October. Consumption during November amounted to about 415,000 running bales compared with 444,000 bales during October and 541,000 bales during November 1929, according to the Bureau of the Census. During the nine years 1920-21 to 1928-29 consumption during November averaged about 2,000 bales below October consumption. Total consumption during the first four months this season amounted to 1,606,000 bales compared with 2,286,000 last year. The average monthly rate of consumption during the first four months this season was 402,000 bales compared with an average of 572,000 bales during the same period last season.

During November sales of standard cotton cloth were below shipments and shipments were below production which resulted in an increase in stocks and a decrease in unfilled orders. The weekly average production during November amounted to 51.7 million yards, or 5.9 million yards above October and 17.3 million yards or 25.1 per cent below November last year according to reports of the Association of Cotton Textile Merchants of New York. During the three previous years for which data are available the weekly average production during November has been on the average 2.1 million yards below October. Sales of cotton cloth during November averaged 45.8 million yards a week or 88.6 per cent of production. This compares with an average of 67.2 million yards during October with a ratio to production of 146.7 per cent. Although sales averaged 21.4 million yards per week below October they were 1.2 million yards above the weekly average during November, 1929 and the ratio to production was 24.0 per cent higher than the ratio during November a year ago. During the four years 1927-1930 sales during November have averaged 22.1 million yards per week below October. The weekly average of shipments during November was 50.2 million yards compared with 54.1 million yards during October and 55.3 million yards during November last year. The decline of 3.9 million yards in the weekly average shipments during November compared with October was less than the average decline of 6.0 million yards for the four years 1927-1930. The ratio of shipments to production during November amounted to 97.1 per cent compared with 118.1 per cent during October and 80.1 during November, 1929. As a result of shipments dropping below production stocks at the end of November were about 6.0 million yards or 1.7 per cent higher than at the end of October. However, they were 74.6 million yards lower than last year and with the exception of October were the lowest since September, 1929. The decline in sales as compared to shipments in November brought about a decrease of 5.0 per cent in unfilled orders during the month. The total at the end of November which amounted to 333.3 million yards compares with 350.8 million yards at the end of October and 342.2 million yards at the end of November last year. With the exception of a month earlier unfilled orders are still the largest since last April.

Great Britain

The decline in exports of cotton piece goods and yarns from Great Britain during November which reflects the continuation of unsatisfactory conditions especially in the Orient, has made the outlook for the British industry less favorable than a month ago. Exports of cotton piece goods during November amounted to 130.3 million square yards, 20.0 million yards below October and 153.7 million yards or 54.1 per cent below November, 1929. This was the lowest for the season and was 15.3 million square yards below the low of 1921. Exports during the first four months this season totaled 591.3 million square yards compared with 1108.6 million during the same period last season or a decrease of 46.7 per cent. According to weekly cables from Liverpool and Manchester, the demand for both cotton yarn and piece goods continues rather inactive. The low price of silver continues to hamper trade with China.

Although exports of cotton yarn in Great Britain during November which amounted to 11.0 million pounds were 700,000 pounds below October, they were above any month with the exception of October since last May and were only 1.5 million pounds below November, 1929. During the ten years 1920-21 to 1929-30 exports of cotton yarns during November averaged practically the same as during October. Total exports during the first four months this season amounted to 42.0 million pounds compared with 61.5 million pounds during this period last season or a decrease of 31.7 per cent.

Continental Europe 1/

Slightly more active conditions have developed in the European cotton textile industry during October and early November, but the movement, though fairly general, was entirely seasonal. No basic revival is yet evident and the general level of activity in Central and Northwestern Europe, as well as Italy, continues unsatisfactory. Only in France does occupation still continue good and a slightly downward tendency is also evident there.

The volume of business in yarns booked by spinners in October and early November was larger than in the previous month in practically all countries on the Continent, with most of the business developing toward the end of October when the raw material market was moving upward. This revival in business was very largely seasonal in character, but there is no doubt that the advance in raw cotton prices tended to bring increased bookings for spinners, and weaving establishments also shared in the larger sales. As a result of the slightly better order situation, it appears that a small rise in both spinning and weaving mill activity has recently occurred in Central Europe and in Italy, though not more than a normal increase for this time of the year. The mills in Central Europe have found it possible to raise output because of the very favorable stock situation, coupled with increased sales. In Italy the maintenance, for several weeks, of a favorable ratio of sales to the much reduced output has enabled a slight pick-up in spite of the fact that stocks are still important.

Germany

Conditions in the German cotton textile industry have not shown material change recently, though a slight improvement in both mill sales and mill activity has been evident during October and early November.

Spinners reported very quiet business during most of October, but some revival was evident toward the end of the month in all branches of cotton spinning, largely as a result of seasonal tendencies, but partly because of the rise in raw cotton prices. Delivery against old contracts was also asked for in increasing volume. At the same time, however, spinners continue to point out that margins are unsatisfactory. Spinning mill activity, which showed a considerable rise in July following the low

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1/ Based on cable from Agricultural Commissioner L. V. Steere at Berlin, dated November 26, 1930.

figure for June, dropped again from 96.8 to 88.8 in August and rose slightly to 89.1 per cent of average in September 1930. October activity appears to have been somewhat above this level.

Reports from the weaving section are about unchanged compared with a month ago, with no improvement evident which would extend beyond seasonal limits. That the pick-up is largely seasonal, is indicated by the better demand for certain winter fabrics, reports pointing, among other things, to somewhat better export business to the Netherlands and to England with respect to winter specialties. Prices continued to be complained of, however, and weaving mill activity has not been much increased. There was a slight rise from 65.2 per cent in August to 66.5 per cent of full capacity in September 1930.

The situation with respect to yarn and goods stocks continues satisfactory, as stocks are very low. Retail textile reports indicate no significant developments.

Imports of cotton yarn during October amounted to 4,621,000 pounds compared with 4,200,000 pounds during September and 5,210,000 pounds during October, 1929 or an increase of 10 per cent over September and decrease of 11 per cent from October last year. This increase over September was largely seasonal as imports during October are usually considerably above September. Imports of woven materials during the month of October which amounted to 1,243,000 pounds was 79,000 pounds above September and 241,000 pounds below October a year ago. This increase during October is also seasonal for during the last five years imports during October have averaged 328,000 pounds above September.

Bankruptcies in the German textile trade continue at an unusual level, but the high point of the wave is doubtless passed. The development of propanganda for new uses of cotton within Germany, contemplated since last year, has now apparently reached a significant stage with the establishment of an office for research in propaganda possibilities.

Spinner buying of raw cotton at Bremen around the middle of October was quiet despite somewhat more interest for "roughish" Indian cotton. Toward the end of October spinner demand increased again, however, and was greatly stimulated by the rise in raw cotton prices as well as by the firmness of the "basis". Transactions included winter months and also purchases further into 1931. Indian cotton was also in active demand, but exotics continued to be neglected. The first part of November brought a considerable decline of spinner buying as well as price-fixing (which was also heavy prior to November 1), because of the decline in the raw cotton market. C.i.f. import buying was generally not large during October and November and confined to bargain purchases.

Czechoslovakia

Reports from the Czechoslovakian cotton textile industry are not at all encouraging, but a moderate improvement in both spinner and weaver sales as well as mill activity seems to have occurred during the month of October. Activity figures for October, when available, are expected to show slightly higher spinning mill operations than the 74 per cent reported for September. Spinning mill activity in July was 69.8 per cent and in August 73.6 per cent.

Leaders in the Czechoslovakian cotton industry have finally reached the conclusion that, surrounded as the country is by an array of high protection countries, the present volume of surplus producing spindleage capacity cannot be maintained. In common with the banks interested, Czechoslovakian spinners have drawn up a program according to which 600,000 cotton spindles in Czechoslovakia (Egyptian spindles not considered) shall be bought up and destroyed. It is planned that the spinners, by levies based upon remaining spindles, will collect the money necessary for repayment of the credit to the banks within a few years. More recent reports, however, indicate some doubt as to the realization of this plan.

Austria

Critical conditions continue in Austria, both in spinning and weaving mills, and it is reported that no seasonal improvement has yet occurred, either in sales or in mill activity. Despite the fact that about 25 per cent of the weaving mills are closed down, the Austrian weaving section has not yet succeeded in getting on to a sound basis, although its capacity is largely below domestic requirements. It is reported that the situation was aggravated through recent keen competition from southern German weaving mills, in a field which is normally affected only by Czechoslovakian offers.

The latest spinning mill activity figure is for the month of September and is 82 per cent of full capacity, an increase of 2 per cent over August, and 14 per cent over the low level of July. Although this figure is 6 per cent above September 1929 and 7 per cent above September 1928, the spindleage has been reduced by about 30 per cent compared with 1929.

Hungary

Conditions in the Hungarian cotton textile industry remained satisfactory, with active yarn and fabrics business developing toward the end of October as a result of the rising raw cotton market. Early November business, however, was restricted, particularly for more distant deliveries. This also was attributed to conditions in the raw cotton market, with the renewed decline making buyers reluctant.

France

The French cotton textile industry as a whole still reports a rather satisfactory level of occupation with business somewhat improved recently as compared with previous weeks. It appears, however, that activity has been slightly reduced since the first half of the year as a result of less favorable sales around the middle of the year and subsequently.

Sales of cotton yarn were still quiet around the middle of October, especially at Roubaix-Tourcoing, but the increase in raw cotton prices stimulated purchases of cotton yarn even for very distant months, especially coarser counts. Roubaix-Tourcoing profited from this movement as well as Rouen, Epinal and the Alsacian mills. Spinners at Roubaix have hoped that the pick-up would help to reduce the stocks accumulated during previous periods, but early November reports were less satisfactory with some drop in the rate of sales reported from Roubaix and Rouen. Spinning mill activity is slightly reduced in the Roubaix district through the medium of dropping of second shifts or reducing working hours. Activity in other regions was unchanged.

Business of French weaving mills is reported generally good with new sales made even into June 1931, particularly following the rise in the raw cotton market at the end of October. This improvement in business is indicated to be largely due to a relatively active demand from the colonies. Weaving mill activity is reported as unchanged at previous favorable levels.

October and early November demand for raw cotton by French spinners was generally quite good and at times even very active during the October period of rising raw cotton prices and firm basis quotations. Price-fixing also became heavy and spinner purchases of futures ran high during this period. It is said that French spinners have covered already much of this season's cotton requirements.

Belgium

Unsatisfactory conditions in the Belgian cotton textile industry continued during October and the early part of November. The sale of cotton yarn as well as cotton goods continued difficult and further reduction of mill activity in certain regions proved unavoidable, with spinners relatively worse off. The situation, however, varies widely according to mills, some still reporting good conditions. Fabrics exports to South America are reported to have suffered somewhat from the political troubles there.

Italy

Reports indicate that the month of October has brought some slight improvement for the Italian cotton textile industry, the position of which

had been steadily becoming more unsatisfactory over a period of several months. Spinning mill activity, which had declined from 68.9 per cent of full capacity in June to 65.7 per cent in August 1930, seems to have risen slightly in recent weeks as a result of the somewhat improved ratio of sales to output existing for several weeks. New sales of cotton yarn have been larger than the current level of production, and if this situation continues it will of course bring a revival of Italian cotton mill activity. Stocks of cotton yarn, however, are reported still somewhat above last year, and unfilled orders considerably below, so that a marked revival must await further improvement in sales. Mill activity is about 30 per cent below last year.

In the recent general assembly of the association of the Italian cotton industry it was pointed out that the Italian cotton textile industry has been encountering considerable difficulties since the beginning of this year. It was stated that the number employed was reduced from 230,000 to 180,000 workers from the beginning to the middle of 1930, and that a decline in exports is largely responsible for the unsatisfactory developments.

The bankruptcy of a large Italian cotton mill recently was a disturbing factor to the trade.

Poland

The pick-up in the Polish cotton textile situation reported during the Autumn months has been very short-lived. The temporary shortage of yarn resulting from the curtailment of production brought about by the yarn cartel gave the yarn market a fictitious appearance and contributed to a quite unjustified rise in prices. As a consequence, imports from Czechoslovakia and England rose considerably, the requirements of the weaving mills have been filled for the present, prices have had to be reduced again, and activity, which had been increased from 46 to 58 working hours per week, was reduced to 52 hours and is now as low as 46 hours again. Some observers believe that the textile outlook is not very bright in Poland because of the weakened purchasing power of the farmer through low farm prices. There can be no doubt, however, that the financial position of the spinners has greatly improved since the spinner cartel inaugurated its policy of rigorously controlling production and credit policies.

Soviet Russia

Figures on production of the Russian cotton textile industry during 1929-30 (October-September) which have just been published reflect the difficulties which have been reported as experienced by the industry in consequence of considerable shortage of raw material resulting from reduced importations of foreign cotton 1/ as well as from the somewhat disappointing crop harvested in 1929. Production of finished fabrics, which, since April 1930, has been running on a level below that of the

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1/ Imports during the first half of 1929-30 were about 15 per cent below the corresponding period of a year ago.

previous year, reached a low point in July and August 1930, when in addition to the usual seasonal decrease in production, shortage of raw material seems to have become acute. The following figures show the development of cotton cloth production by months for 1929-30 as compared with 1928-29 1/:

Table 2.- Cotton Cloth: Production in Russia, by months, October 1928 - September 1930

Month	1928-29	1929-30
	Million yards	Million yards
Oct.	272	261
Nov.	242	250
Dec.	248	274
Jan.	249	249
Feb.	250	272
Mar.	260	284
Apr.	303	289
May	227	167
June	285	170
July	211	84
Aug.	253	71
Sept.	297	156

Total Russian production of finished fabrics in 1929-30 amounted to 2,573,000,000 yards compared with 3,090,514,000 manufactured during 1928-29 or a decrease of 16.7 per cent. The original plan, therefore, which provided an 11.1 per cent increase in the production of finished cotton goods in 1929-30 as compared with 1928-29, was executed to the extent of only 75 per cent.

Japan

Price of cotton yarn in Japan has declined with the fall in price of cotton, but the decline in yarn has been less than in cotton, thus leaving a wider spread between the two prices according to a cable from Consul Dickover of Kobe to the Foreign Service of the Bureau of Agricultural Economics. Aided by this and by the low value of silver Chinese yarn is now being shipped to Japan in increasing quantities. This may cause relaxation of the curtailment rate thus relieving the artificial scarcity and lowering yarn prices. Mills are now making a good profit and yarn output is increasing despite nominal maintenance of the curtailment rate.

1/ It should be noted that the monthly figures on finished goods' production do not total up to the figures mentioned for the year as a whole. This discrepancy is probably due to the fact that the monthly figures were preliminary data, while the total for the year contains revised figures for separate months. The total of the monthly production figures for 1929-30 would be 2,529,000,000 yards compared with the final figure of 2,573,000,000.

The tendency is to produce a larger percentage of coarse yarn, which finds readier sale in hard times. This has resulted in a decrease in the proportion of American cotton consumed. Mills are still buying for immediate needs only. The production of cloth showed no change in early December as compared with November but exports are increasing. For the month of November exports exceeded any month since March.

Production, acreage and crop condition reports

United States

Production estimate - The December forecast of the United States crop was 14,243,000 bales of 500 pounds gross. This was 195,000 bales below the November forecast and approximately 585,000 bales below production last year. This season's production is equivalent to a yield of 150.8 pounds of lint per acre on the 45,218,000 acres left for harvest after abandonment of 2.1 per cent of the 46,191,000 acres in cultivation July 1. This average yield is 4.3 pounds below the average for the ten year period 1919 to 1928. In South Carolina, Alabama, Louisiana and California the crop to the end of November was turning out somewhat better than was anticipated a month earlier, while considerable declines occurred in Mississippi, Texas, Oklahoma and North Carolina and Georgia.

Quality of the crop - Of the cotton ginned prior to November 1 this year, 85.3 per cent was tenderable on futures contracts according to preliminary estimates, whereas only 78.8 per cent of the ginnings to this date last year were tenderable. There was a smaller per cent of 1-1/32 inches which was tenderable this year than last, the percentages being 9.2 and 11.3. The increase in tenderability this year as compared with last was due largely to staple length. Last year there was 20.2 untenderable in the staple length whereas there was only 14.0 per cent this year. The greatest percentage increase this year over last was in 15/16 inches and 31/32 inches. This group representing 5.5 per cent more of the total than it did last year. (See Table on following page.)

Table 3. - Grade, staple length and tenderability of cotton ginned in the United States, prior to November 1, 1929 and 1930

Item	1929 1/ Bales	1929 Per cent	1930 1/ Bales	1930 Per cent
Total Crop (as reported by the Bureau of the Census)	10,891,900	100.0	10,865,600	100.0
Total American Upland	10,881,100	99.9	10,855,100	99.9
Total American-Egyptian	10,800	.1	10,500	.1
Grades (American Upland):				
White, Middling and better	8,202,400	75.4	8,497,500	78.3
White, Strict Low and Low Middling	1,450,200	13.3	1,292,000	11.9
White, Below Low Middling	39,500	.4	33,300	.3
Spotted and Yellow Tinged	969,100	8.9	811,700	7.5
Light Yellow Stained, Yellow Stained, Gray, Blue Stained	4,100	2/	4,500	2/
Tenderability on Section 5 futures contracts (American Upland):				
Total Tenderable	8,569,000	78.8	9,261,700	85.3
Tenderable 7/8" to 1-1/32" inc.	7,337,300	67.5	8,267,500	76.1
Tenderable over 1-1/32"	1,231,700	11.3	994,200	9.2
Total Untenderable	2,312,100	21.2	1,593,400	14.7
Untenderable in Grade	92,200	.8	49,200	.5
Untenderable in Staple	2,193,500	20.2	1,519,100	14.0
Untenderable in both Grade and Staple	26,400	.2	25,100	.2
Staple (American Upland):				
Under 7/8	2,219,900	20.4	1,544,200	14.2
7/8 and 29/32	4,061,500	37.3	4,254,000	39.3
15/16 and 31/32	2,093,200	19.2	2,680,400	24.7
1 and 1-1/32	1,262,700	11.6	1,381,100	12.7
1-1/16 and 1-3/32	664,800	6.1	656,600	6.0
1-1/8 and longer	580,000	5.4	338,800	3.1

1/ Running bales, counting round as half bales.
2/ Less than one-tenth of one per cent.

Ginnings to December - Cotton ginned from the 1930 crop prior to December 1 amounted to about 12,835,000 running bales compared with 12,853,000 and 12,560,000 bales ginned during the corresponding periods of 1929 and 1928 respectively, according to the Bureau of the Census. Ginnings up to December 1 this year were only 18,000 bales below the ginnings to this date last year. This means that a considerably larger percentage of the crop has been ginned up to December than had been ginned to that date last year.

World summary of production and acreage

Estimates of the 1930-31 crop have been received to date from 13 countries which produced about 35 per cent of the estimated world production last year. In these 13 countries the estimated production this year is 9.2 per cent above last year's production. Russia shows the greatest increase of any important country although the incomplete December estimate for India is slightly above last year. A number of the smaller countries also report increased production. The total world crop however is expected to be less than 1 per cent higher than in 1929.

The estimated acreage planted to cotton in 13 countries reporting to date (not the same 13 which have reported production) for the 1930-31 crop equals 0.5 per cent above last year's acreage. These 13 countries had 93 per cent of the estimated world total acreage last year.
(See Table on following page.)

Table 4.- Cotton: Acreage and production in countries reporting for 1930-31, with comparisons

Item and country	Average 1909-10 to 1913-14	1928-29	1929-30	1930-31 prelim.	Percentage 1930-31 is of 1929-30
	1,000	1,000	1,000	1,000	
Acreage	acres	acres	acres	acres	Per cent
United States	34,152	45,341	45,793	45,218	98.7
India 1/	21,361	24,992	23,536	22,964	97.6
Russia	1,569	2,261	2,560	3,768	147.2
Egypt	1,743	1,605	1,912	2,162	113.1
Uganda	58	699	684	725	106.0
Chosen (Korea)	146	503	459	463	100.9
Mexico	253	502	492	400	81.3
Anglo Egyptian Sudan..	44	284	369	398	107.9
Greece	19	38	35	49	140.0
Spain	--	21	24	47	195.8
Alaouite (Syria and Lebanon)		9	17	37	217.6
Algeria	2	12	14	14	100.0
Bulgaria	2	13	13	14	107.7
Total above countries	59,349	76,480	75,908	76,259	100.5
Est. world total excl. China	62,500	82,400	81,900	82,300	
	1,000	1,000	1,000	1,000	
Production 2/	bales	bales	bales	bales	Per cent
United States	13,033	14,478	14,828	14,243	96.1
India 3/	3,529	5,018	3,910	3,977	101.7
Russia	905	1,137	1,351	4/ 1,950	144.3
Egypt	1,453	1,672	1,725	1,697	98.4
Mexico	187	278	246	186	75.6
Anglo Egyptian Sudan .	14	142	137	171	124.8
Chosen (Korea)	20	150	139	152	110.1
Greece	13	15	12	25	208.3
Tanganyika	5/ 8	23	23	18	78.3
Union of So. Africa ..	6/	10	8	12	150.0
Spain	--	3	3	9	300.0
Bulgaria	1	3	4	5	125.0
Algeria	7/ 1	6	8	5	62.5
Total above countries		22,935	22,394	24,450	109.2
Est. world total, incl. China		26,100	26,300	26,400	

Official sources and International Institute of Agriculture, except as otherwise noted.

1/ Third estimate incomplete. 2/ In bales of 478 pounds net. 3/ First estimate, incomplete. 4/ Estimate reported by American Agricultural Commissioner Steere at Berlin. 5/ Average for four years. 6/ Less than 1,000 bales. 7/ Average for three years.

Compiled by the Foreign Service of the Bureau of Agricultural Economics from the latest available sources.

Egypt

The crop is now estimated to be 1,697,000 bales of 478 pounds net, according to a cable received from the International Institute of Agriculture at Rome. This is a decrease of 46,000 bales under the first estimate of this season's crop published in the November report and 28,000 bales under the final estimate of last season's crop. The estimated production of Sakellaridis is now 456,000 bales, 23,000 bales below the earlier estimate and 102,000 bales below the final estimate of last season. All other varieties are now estimated to be 1,241,000 bales, also a decrease of 23,000 bales under the earlier estimate, but an increase of 74,000 bales over the final estimate last year. A decree has been issued prohibiting the planting of Sakellaridis cotton in Egypt except in three provinces, according to a cable from P. K. Norris, Cotton Specialist of the Foreign Agricultural Service in Cairo. In these three provinces the acreage is to be limited to 40 per cent of the present acreage. In 1929 the area in cotton was 1,912,000 acres of which 880,000 acres were in Sakellaridis cotton. About 85 per cent of the Sakellaridis acreage is in the provinces of Gharbiya, Beheira and Daqahliya.

It is estimated that 769,000 bales of 478 pounds net of cotton including linters, have been ginned in Egypt up to December 1, according to a cable received by the Foreign Service of the Bureau of Agricultural Economics from the International Institute of Agriculture at Rome. This is a decrease of 98,000 bales or 11 per cent under the 867,000 bales ginned at the same date last year, and 209,000 bales or 21 per cent less than were ginned by December 1 of 1928. Of the total ginnings to the first of December, 163,000 bales were of the Sakellaridis variety. This is 63,000 bales or 28 per cent less than were ginned at the same date last year and 114,000 bales or 41 per cent less than were ginned by December 1 of the preceding season. It is estimated that 589,000 bales of other varieties were ginned, a decrease of 34,000 bales or 5 per cent under the estimate of 623,000 bales at the same date last year, and 89,000 bales or 13 per cent less than were ginned by December 1 of 1928.

This season there were 17,000 bales of linters ginned, 1,000 bales less than at the same date last year and 6,000 less than by December 1 of 1928.

Soviet Russia

Weather conditions appear to have been very favorable for the ripening of the cotton plant late into October, according to numerous Soviet reports, and the production outlook for Russian cotton this year is very promising , notwithstanding the downward revision of the acreage estimate some weeks ago. The yield is reported considerably above last year in Ferghana Valley, which is the most important cotton producing region of the Union, and where a good and, in some parts, an exceptional crop is reported to have been harvested.

The 1930-31 cotton procuring plan is fixed at 1,397,600 tons of unginned cotton, which would mean from 420,000 to 430,000 tons of

ginned cotton or 1,937,000 to 1,983,000 bales of 478 pounds net, depending upon the ginning outturn. The consumption of cotton by the growers themselves is normally very small. There is a possibility, however, of some loss of cotton through delayed harvesting, as well as a possible increase in home consumption of cotton by the growers themselves, in view of the reported poor supply of industrial goods in the cotton regions. The "beys" (rich cotton growers) are also reported to be leaving cotton unpicked and to be planting winter wheat in the cotton fields. Of all factors, however, the shortage of labor is the most important, as this problem was difficult to cope with a year ago, when the crop was much smaller. Some mention of the loss of cotton in consequence of untimely harvesting has already been made in the local press and, though it is difficult to say to what an extent this has been the case, this loss is sure to increase as the season advances.

The 1930 cotton procuring campaign started some weeks ago, with the press complaining at its slow pace as compared with plan. Up to November 10, only 44.2 per cent of the yearly plan was procured as compared with the 70.4 per cent contemplated in the plan. The harvesting difficulties in consequence of labor shortage, and other organization difficulties are chiefly responsible for the unsatisfactory development of the cotton procuring campaign, but the shipment of cotton to the textile mills is reported to be in line with current plans, though it should be noted that this refers only to the very early part of the season.

Mexico

The present cotton crop in Mexico is estimated to be 185,800 bales of 478 pounds net according to a report from the International Institute of Agriculture at Rome. This is a decrease of 60,200 bales under last year's crop and 92,200 bales under the crop of 1928. The acreage this season is estimated to be 400,000 acres, a decrease of 92,000 acres under last season and 102,000 acres less than in 1928-29.

Anglo-Egyptian Sudan

The cotton crop in Anglo-Egyptian Sudan is now estimated to be 171,000 bales of 478 pounds net, according to a cable received by the Bureau of Agricultural Economics from the International Institute of Agriculture at Rome. This is the same as the estimate at the same date last season. The final estimate was 137,000 bales. The acreage this season is estimated to be 398,000 acres, an increase of 25,000 acres over last year's acreage of 373,000 acres at this same date and 29,000 acres more than the final estimate for last year.

Brazil

The prospects for the cotton crop which were reported earlier in the season to be fairly good, have been entirely reversed by the drought. There is little doubt now that production will be below normal, according to a report received from the United States Consul at Pernambuco in December.

China

The present crop is expected to be somewhat larger than last season's crop of 1,960,000 bales of 478 pounds net, according to a cable received from Agricultural Commissioner Nyhus.

Miscellaneous News

Special Analysis of the World Cotton Situation

"The World Cotton Situation with Outlook for 1931-32 and the Long-time Outlook for Southern Agriculture", Miscellaneous Publication No. 104, which was prepared by the Bureau of Agricultural Economics is now available for distribution. Copies may be obtained upon request.

Investigation of Drop in Cotton Futures

The joint resolution, H. J. Res. 195 by Senator Sheppard of Texas which was referred to the Senate last June, but was not acted upon before adjournment, passed the Senate December 3, 1930 and was sent to the House. This resolution provides for the authorization of the Secretary of Agriculture through the Grain Futures Administration to investigate the cause of the declines in the price of cotton in 1926, 1927, 1928, 1929, and the first half of 1930. The measure authorizes appropriations of $125,000 for the investigation.

Textile Foundation Makes Definite Research Plans

At a recent meeting of the board of directors of the Textile Foundation which was established last June under an act of Congress, definite plans were made to conduct scientific research for the benefit of the textile industries and allied branches. The directors decided to: (1) request the United States Institute for Textile Research to assemble data on researches which have been completed or are now being conducted on textile problems, (2) request the American Association of Textile Chemists and Colorists to extend its work on color, (3) ask the Smithsonian Institute of Washington to complete textile material dictionary, and (4) plan for a major study of certain aspects of the distribution of textiles.

Alexandria market closed two weeks.

Beginning December 11, 1930 the Egyptian Government has suspended cotton futures trading for two weeks with the hopes that demand conditions will improve by that time.

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